

## Barbie, Addressing the Jury, Denies Guilt

By Julian Nundy  
International Herald Tribune

LYON — Klaus Barbie, ordered into court here Friday for the conclusion of his trial, rejected charges that he was responsible for the deportation of Jewish children and adults and said, "It was war and the war is finished."

After hearing his brief statement, the jury in his trial on charges of crimes against humanity withdrew to consider its verdict.

Ordered to attend the closing stages of a hearing that he has boycotted since May 13, the 73-year-old former SS officer said he was not guilty of the specific crimes that he was accused in the French proceeding of having committed. These include the deportation to their deaths in Nazi concentration camps of 44 Jewish children from the village of Izieu and the organization of two other mass deportations during the time he was in the German occupation forces in Lyon from 1942 to 1944.

After Barbie's lawyer, Jacques Vergès, ended the defense summation, Judge André Cerdini ordered the police to bring Barbie into the courtroom, and asked if he had anything to say.

"I did not round up the children of Izieu," Barbie said in French. "I did not have the power to decide on deportations. I fought the Resistance, which I respect, with toughness. It was war and the war is finished. Thank you."

Immediately after Barbie's statement, Mr. Cerdini read the list of 341 questions that the nine lay jurors, two professional assessors and

the judge himself had to answer to reach a verdict.

Barbie faces a maximum sentence of life in prison. A guilty verdict on any one of the five counts would convict him.

Mr. Vergès told the jurors that Barbie's accusers had given them "a very presentable, guaranteed, made-to-measure devil."

After arguing his client's inno-

cence on all five charges he faces, the defense lawyer said that the Barbie trial, the first ever held in France on the charge of crimes against humanity, was organized to expunge guilt feelings about France's early defeat in the war and collaboration with the Nazis.

Mr. Vergès told the jurors, four women and five men, to demonstrate "courage, reason and truth,"

adding: "Reply 'No' to all the questions."

On French feelings about the wartime record, he said: "Alone in the world, France makes a show of this strange historical delirium."

Earlier, Mr. Vergès had argued that the crucial piece of evidence on the Izieu deportations, a photocopy of a telex bearing Barbie's signature and telling his Gestapo super-

ors in Paris that the children had been rounded up, was false.

The original of the telex has been lost. Mr. Vergès tried to prove that there were differences between two copies of the document, one of which was unearthed by the French Nazi hunter Serge Klarsfeld.

Mr. Vergès said that the investigating magistrate had not agreed to expert examination of the telex. He did not explain why he had neither commissioned such an examination himself nor called experts as witnesses to back his thesis.

Mr. Klarsfeld, a historian and lawyer whose campaign to find Barbie led to the latter's expulsion from Bolivia to France in 1983, boycotted the three last days of the trial while the defense was making its plea. He had been representing the families of children from Izieu.

The charge of crimes against humanity was formally introduced into French law in 1964. Three Frenchmen also face trials under the article for crimes committed during the Nazi occupation.

The most prominent of the three is Maurice Papon, 77, a former budget minister under President Valéry Giscard d'Estaing. He is accused of involvement in the deportation of Jews.

The charges against Barbie represent only a fraction of the crimes of which he has been accused of committing in the Lyon region.

He was twice sentenced to death in absentia, in 1952 and 1954, for torture, murders and deportation. Because of France's 20-year statute

See BARBIE, Page 5



Klaus Barbie: "It was war and the war is finished."

## Concerns Persist In Seoul

Kim Dae Jung Cites Barriers to Democratic Rule

By Sam Jameson  
Los Angeles Times Service

SEOUL — Kim Dae Jung, an opposition leader, has said that democracy was not yet assured in South Korea and warned that the government could still resort to suppression.

In an interview Thursday night, Mr. Kim also:

- Warned that democracy, if achieved, would bring new problems.
- Vowed that the opposition would field only one major candi-

Students rallied in Seoul to discuss how to keep pressure on the government. Page 2.

date in a direct presidential election expected to be held by year's end.

• Predicted that the ruling party was likely to find its conservative support divided by the emergence of a surprise candidate, Kim Jong Pil. Kim Jong Pil was former President Park Chung Hee's right-hand man and was purged from politics until 1985 after President Chun Doo Hwan seized power in May 1980.

• Said he would meet the U.S. ambassador, James R. Lilley, for the first time at a reception Saturday at the U.S. Embassy and again, privately, on Wednesday.

As a man who has been kidnapped, subjected to countless house arrests, imprisoned, sentenced to death and deprived of his civil rights over the years, Kim Dae Jung said he was not yet ready to rejoice over the promise of full democracy that Mr. Chun made Wednesday.

Mr. Kim said the opposition still had four main concerns about whether Mr. Chun, who imprisoned Mr. Kim in 1980, would accept all of the forms of democracy. Steps the government must take, he said, included release of all political prisoners, restoration of civil rights, granting freedom of speech and assembly and allowing the establishment of trade unions and farmers' cooperatives.

Doubts also remain, he said, about whether the government would approve a truly democratic constitution, including a presidential election law permitting free campaigning.

Mr. Kim also expressed doubts about whether the ruling party was prepared to lose power in a free election and, if it did lose, whether it would really transfer power to the opposition.

He said that Mr. Chun, too, has to be concerned about his own security after he yields power, despite opposition assurances that it would

See KOREA, Page 5

## Kiosk Soviet Warns U.S. on Gulf

MOSCOW (UPI) — The Soviet Union termed the expanded use of U.S. warships in the Gulf "impermissible" on Friday and warned that if they were not withdrawn, the Iranian war could erupt into an international conflict between the two superpowers.

A government statement, carried by the official press agency Tass, said the Kremlin fully supported United Nations efforts to end the Iran-Iraq war.

The statement appeared to indicate that the Soviet Union was prepared to go along with a United Nations Security Council resolution calling for an arms embargo against Iran if the war continues.

## 39 Killed in Spain In a Bus Accident

MONTERREY, Spain (UPI) — A bus carrying elderly vacationers skidded off a highway and plunged down a ravine in northwestern Spain on Friday, killing 39 passengers and seriously injuring seven, officials said.

The accident occurred as the bus carrying 60 passengers headed down a winding mountain highway outside Monterrey, 280 miles (450 kilometers) northwest of Madrid. Officials said it flipped over twice in a 490-foot (150-meter) fall.



Pat Cash beat Jimmy Connors, 6-4, 6-4, 6-1, Friday and will play Ivan Lendl in the men's final at Wimbledon. Page 11.

## GENERAL NEWS

■ The Taiwan cabinet sent proposals to parliament on lifting martial law. Page 2.

■ Haiti's military government, bowing to protests, said it would restore control of elections to a civilian group. Page 3.

## BUSINESS/FINANCE

■ Yugoslavia won a \$240 million debt rescheduling from commercial banks. Page 8.

## Toshiba Affair Shakes Affluent, Complacent Japan

By Barbara Crossette  
New York Times Service

TOKYO — For Japanese industry, it was a week that shook a prosperous and complacent world.

Admonished by the U.S. defense secretary, Caspar W. Weinberger, on Monday for allowing the Toshiba Machine Co. to illegally sell missile-milling equipment to the Soviet Union, and stunned by a retaliatory U.S. Senate vote Tuesday to ban imports from the parent company — the huge Toshiba Corp. — Japan was still surprised Wednesday for the resignation of Toshiba's top two officials.

The last shock, by all accounts, was the worst.

Kenichi Ohmae, a leading management consultant, said it was like shooting two lords of the castle.

Japanese executives, financial analysts and government officials may differ in apportioning blame or predicting the long-term consequences to U.S.-Japan relations of the head-on clash between Congress and Toshiba.

But a consensus is emerging on a number of crucial factors:

- Japan's business and government leaders failed to understand the depth of feeling in the United States provoked by damage to its strategic interests. Toshiba equipment, U.S. officials assert, has made Soviet submarines less easy to detect.

- Japanese officials were lax in enforcing laws governing the shipment of high technology to Communist nations.

- Toshiba should have been sin-

gled out and punished earlier and more convincingly, and, a campaign should have been undertaken in the United States to assure American opinion that the damage had been controlled.

The resignations of the Toshiba Corp.'s chairman and its president, Sotchi Saba and Sogichiro Watanabe, were unnecessary, or at least badly timed, and have almost certainly sent the wrong signal to the U.S. Congress.

In an editorial Friday, the Asahi Shimbun, a liberal daily newspaper, said that in the American view, the Toshiba resignations will look like an admission of guilt, and that this will fan congressional attacks, not dampen them. In Japan, the resignations are accepted merely as traditional gestures.

There is an open resentment among the Japanese public, said Masahiko Ishimura, managing editor of the Japan Economic Journal. They are surprised to see the Americans acting so tough.

The best illustration of that, he

## U.S. Air Force Investigates Cruise Flaws

By R. Jeffrey Smith  
Washington Post Service

WASHINGTON — The U.S. Air Force has begun an investigation into suspected defects in its nuclear-tipped, air-launched cruise missiles, air force officials and congressional sources have said.

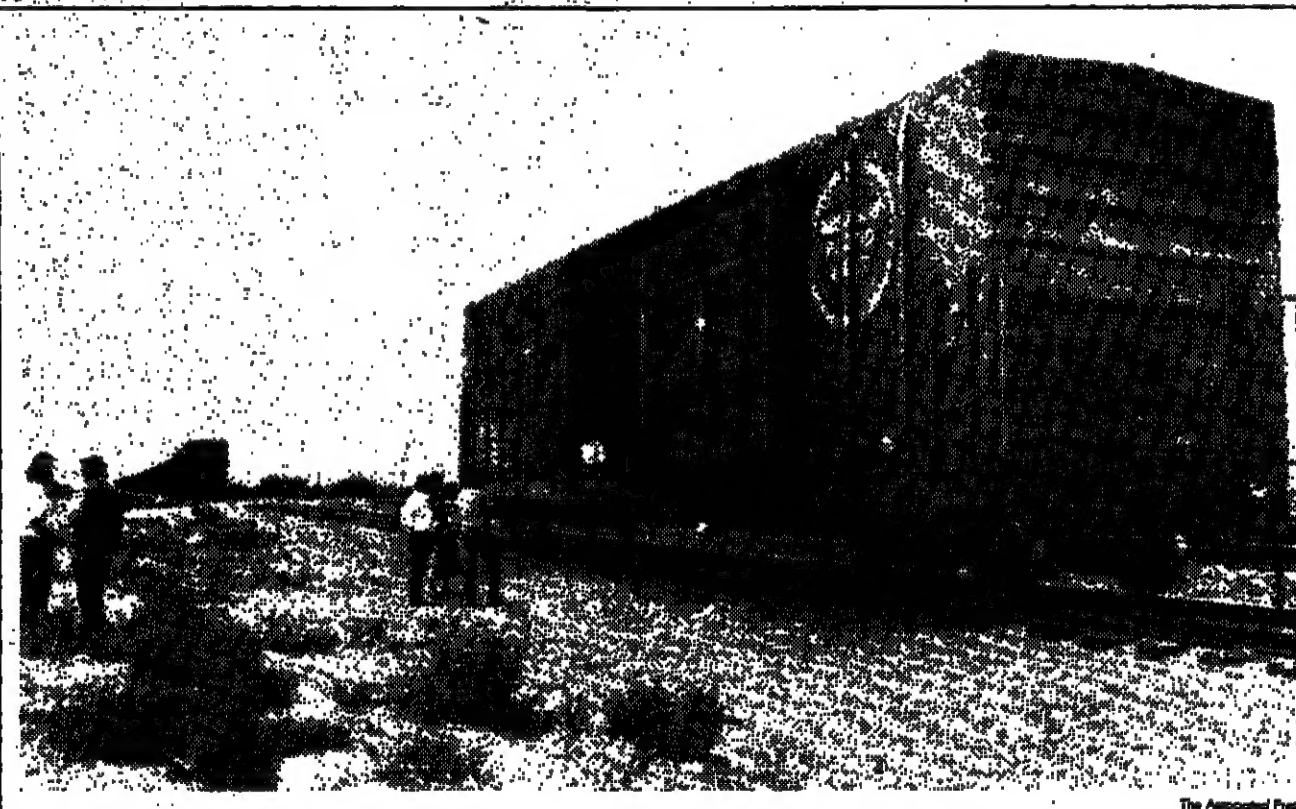
The investigation centers on allegations that a key part of the cruise missile has been improperly tested by its manufacturer, the Northrop Corp., calling into question the missiles' ability to hit their targets, the officials said Thursday.

Northrop announced Thursday that it had removed four employees at its plant in Pomona, California, which produced the parts, "pending the outcome of an investigation begun last week into possible irregularities in the testing of electronic components."

Law enforcement sources in Washington confirmed that the Justice Department's Fraud Section and the Federal Bureau of Investigation were looking into the allegations.

Northrop has produced the component, which is intended to keep the missile on course during high-

See DEFECTS, Page 5



BOXCAR TRAGEDY — The boxcar near Sierra Blanca, Texas, in which 18 illegal aliens died this week when locked inside in intense heat. The lone survivor said the

victims fought each other and were "crazy." Border officials who found them said some of the men appeared to have died just hours before they were found. Page 3.

## In Turkey, New Civilian Challenges to Military

By Alan Cowell  
New York Times Service

ANKARA — In ways that would once have seemed improbable, Turkish politicians and newspapers have begun to challenge both the authority and the competence of members of the country's military, an institution previously immune from such public questioning.

Moreover, some opposition figures say Mr. Evren, whose position is supposedly largely ceremonial, masterminded a series of events depicted as an assertion of civilian authority so as to pursue his own political aims within the military.

In recent days, Prime Minister

Turgut Ozal has overridden a top army commander in designating a new chief of staff of his own choice, while newspapers have given prominence to reports of Mr. Ozal's dissatisfaction with the military's failure to halt a massacre of 30 villagers by a Kurdish group in southeastern Turkey last month.

"The press is slowly pushing at the outer limits of what the military will tolerate," a Western specialist said.

Additionally, the specialist said, some Turks want to see a reduction in the still-pervasive influence of

the military and thus enhance the nation's image as a land striving for a return to full democracy.

Mr. Ozal, who came to power in elections held under rules drawn up by the military but who was not regarded as the military's choice, has long sought to counter criticism that he is a creation of military rule.

The military, under Mr. Evren, then the commanding general, took power in 1980 after years of political bloodshed. The generals withdrew in 1983, bequeathing a consti-

See TURKEY, Page 5

## U.S. Prepares to Open First Diplomatic Mission in Mongolia

By Neil A. Lewis  
New York Times Service

WASHINGTON — When the United States opens a mission sometime next year in Mongolia, the venture will have some of the flavor of diplomacy as practiced in the last century, when envoys journeyed to exotic places with pack animals and bearers cleared the way with machetes.

Ulan Bator, the capital, is one of the most remote places on the globe. The U.S. government has never been represented there, although for decades a few American adventurers, paleontologists and journalists have visited, along with hunters who go there to stalk a mountain goat that is said to have the longest horn span in the world.

So why open a diplomatic mission in Mongolia now, at the same time that budget constraints closed seven U.S. consulates worldwide last year and will close seven more this year?

"It will be an important listening post," said J. Stapleton Roy, a deputy assistant secretary of state. "It's a country between the two largest Communist countries in the world," China and the Soviet Union.

Washington has long wanted diplomatic relations with Mongolia, which has been principally a Soviet satellite since a Mongolian Communist government was established in 1921 after Mongolia sided with the Russians in their dispute with China. And, Mr. Roy added, "It's always been a place of fascination for Americans."

As a young Foreign Service officer and Asian specialist in the mid-1960s, Mr. Roy was groomed to be the first U.S. diplomat in Mongolia. He studied the language and waited seven years to go. But it was in vain, for a variety of factors prevented the establishment of formal relations.

The United States was trying not to offend the government of Taiwan, which continued to contend that Mongo-

lia was a part of mainland China and not an independent nation. And the Russians were reluctant to allow the Mongolians to grant diplomatic recognition to the United States.

But negotiations at the United Nations early this year finally succeeded in mutual recognition. U.S. officials say the agreement with the Mongolians to open missions in each other's country is, in the words of one, "a kind of symbolic gesture on the part of the Soviets to show these countries are not kept on a short leash."

Since the agreement was signed in January, State Department officials have explored the practical problems of setting up an outpost in Ulan Bator, a city of about half a million people.

Richard L. Williams, director of the office of Chinese

See MONGOLIA, Page 5

## Zambian Tribal Customs Add to AIDS Epidemic

By Blaine Harden  
Washington Post Service

LUSAKA, Zambia — John Bwalya was supposed to sleep last fall with Alice, his brother's widow.

The Zambians call it "cleansing." When a man dies, his widow is expected to have sexual relations with one of his relatives, usually a brother. According to a widely held traditional belief, this rids her of her husband's ghost and frees her to remarry.

Mr. Bwalya, who requested that his real name not be used, says he was afraid to sleep with Alice, however, because her husband had died of AIDS.

Despite pressure from the widow and her family and from his own uncle, Mr. Bwalya refused to cleanse his sister-in-law. With the help of an older brother, Mr. Bwalya fled his village in northern Zambia's copper belt and moved to Lusaka, the capital.

"It was like someone bringing

you a coffin and saying you get in this coffin," Mr. Bwalya said.

The AIDS epidemic that has swept across Africa in the past five years has been exacerbated in Zambia by deeply entrenched tribal customs.

Those customs retain a strong hold on a large proportion of the country's seven million people, in part because of officials' unwillingness to publicly acknowledge the large number of people who are infected with acquired immune deficiency syndrome.

That is the assessment of Zambian activists who say that the government intentionally fails to report all the AIDS deaths.

Western observers in Zambia and international authorities on the fatal disease hold a similar view.

"People in Zambia do not officially die of AIDS," said Emma Chibesakunda, chairman of the Catholic Women's League, an organization attempting to publicize the disease and challenge tribal customs that may help spread it. "When my cousin died of AIDS in March, we looked at his official death certificate and it said tuberculosis of the bones."

Ms. Chibesakunda's willingness to speak openly about AIDS is unusual in Zambia. The Ministry of Health imposed a gag order last month on all health workers, ordering them not to release information on the disease.

Zambia officially acknowledges about 300 cases and fewer than 100 deaths, figures that international health authorities say are absurdly low.

Last year, hospital researchers in Lusaka found that AIDS infection levels were as high or higher than those reported anywhere else in the world.

According to their findings, the

See AIDS, Page 5



# West German 'Russkis' Search for Their Identity in 2 Cultures

By Serge Schmemmann  
New York Times Service

WIESBADEN, West Germany — As a child in Soviet Central Asia, Larissa Grams was allowed to speak only German at home — more precisely, the Schwabisch dialect her forebears took to Russia two centuries earlier.

For her parents, as for tens of thousands of other ethnic Germans scattered to the far reaches of the Soviet Union by Stalin in 1941, after the Nazi invasion, the old tongue sustained at home was a bulwark against assimilation and proud proof that they were, as their Soviet passports said in the entry marked "nationality," German.

Mrs. Grams and her parents emigrated to West Germany in 1976. Now, she said, the situation is reversed.

"My husband and I try to talk only Russian at home, not to forget the language," she said in Russian that was already growing a bit rough around the grammatical edges. "Almost all the people we're friends with are also Russians, and very few are outside."

Russians? Her husband, Viktor, a 1984 emigrant, was first to sense the humor. "Back there we were called 'Fritz,' sometimes 'Fascist,' and we ourselves insisted that we're German."

"Here," he said, "they call us 'Ivan,' 'Russian' and nowadays usually 'Gorbachev' — and we refer to ourselves as 'Russkis.'"

Of about two million people classified as Soviet citizens of German nationality, about 75,000 have left. These do not include Germans taken prisoner during the war; those who survived were repatriated separately.

The ethnic Germans' exodus from the Soviet Union, like Jewish emigration, has increased this year after declining to a trickle in the early 1980s.

More than 1,000 Germans left in May and more than a 1,000 also left in June; this compared with 460 in all of 1985. The

elderly spoke old Schwabisch or the other dialects they had so ardently sustained, only to find that few in modern

"Alma-Ata" and "Nikolayev" — the places they had struggled so hard to leave, but that now established who they were. They had made it to the "Vaterland," but centuries in the steppes, in Siberia and on the plains of Central Asia had left imprints in the rugged faces, in the speech, in the manners.

The Grams, both in their 20s, are among those who have weathered the transition well. Viktor, 26, worked at an Opel auto plant near Wiesbaden, and Larissa, 23, worked at a hospital. But both still feel strong links: they miss their friends back in Kazakhstan, and Viktor Grams said most of his reading is in Russian.

"I'm happy here, but I was happy there, too," Larissa Grams said. "It was my parents who insisted on leaving. My father said this is the only Vaterland. I've already been back to visit once — I couldn't go back, it seemed so poor, but I miss my friends very badly."

Sometimes it was the younger ones who led the exodus. Eduard Gaberstroh, now 76, had never considered leaving. He had done well as a farm machine operator in Estonia, although he acknowledged that "as a man who never in his life took what wasn't his" it was sometimes difficult to make ends meet.

But his children were denied emigration because their parents were staying behind, so Mr. Gaberstroh applied and left.

"Between us," he confided, "I can tell you it's easier here in Germany. There, you couldn't say anything."

Unlike other emigrants, there seemed little bitterness among the Germans for the country they had left behind. For one thing, as industrious workers, most had lived reasonably well.

"You could tell where the Germans lived in any village," said an old man proudly.

Germany could understand them. Those in their 20s and 30s, products of postwar Soviet schooling, spoke Russian, while children romping underfoot spoke only German.

In contrast with Jewish emigrants in Tel Aviv or New York, most of whom came from large Soviet cities, the Soviet Germans were largely of rural stock — farmers and workers from across the Soviet land. Most have blended well into the German work force, although not without many of the same problems that Jews and other Soviet emigrants have encountered in adjusting to a capitalist system.

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

## The ethnic Germans' exodus from the Soviet Union, like Jewish emigration, has increased this year after declining to a trickle in the early 1980s.

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

Germans expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

The Grams were among 8,000 "Russkis" gathered for a convention in Wiesbaden. There were speeches and bands and government ministers. There were encouraging reports of an increase in emigration and demands for more.

But most people came merely to be with people like themselves, to trade stories in the old dialects and to see who else had come out.

In the large convention hall, they gathered at tables marked "Odessa" and

## France Insists on Release of Iranian

PARIS (AP) — France insisted Friday that an Iranian embassy employee at the center of a diplomatic standoff between the countries appear before a judge to answer questions about Paris bombings that killed 13 people last summer.

The government said that Walid Gorgji, a translator who does not have diplomatic immunity, had contact with the suspected bombers. Mr. Gorgji has been at the Iranian embassy since French anti-terrorism police searched his apartment June 2, an embassy official said.

On Friday, French police controlled access to the Iranian embassy and Iranian police patrolled outside the French Embassy in Tehran.

Shevardnadze Schedules Bonn Visit

BONN (AP) — Eduard A. Shevardnadze, the Soviet foreign minister, will visit Bonn this fall, it was announced Friday.

A West German government spokesman, Friedrich Ost, said the visit reflected an improvement in relations between Moscow and Bonn. He did not give a date for the trip, or other details.

Mr. Shevardnadze will be the highest-ranking Soviet official to visit Bonn since the Soviet leader, Mikhail S. Gorbachev, came to power in 1985.

Gorbachev, Gandhi Attack U.S. Policy

MOSCOW (UPI) — Mikhail S. Gorbachev, the Soviet leader, and Prime Minister Rajiv Gandhi of India joined Friday in accusing the United States of trying to undermine the New Delhi government.

"Our good relations are causing virtual agony among definite political quarters in the world — those who are bent on militarism, escalation, confrontation and on kindling regional conflicts," Mr. Gorbachev said at a luncheon for the visiting Indian leader. "We can see how, without scruples in the choice of means, pressure is being put on India," he added.

After a brief visit to Washington, their pledges of Soviet-India friendship and their attacks on "imperialism" made it clear that the United States was the target. Mr. Gandhi, who arrived Thursday, said Friday's opening of a new Russian Embassy in India, said the "foresight" to undermine the independence of nations are always on the lookout for opportunities to work out their nefarious designs.

U.S. Court Cautions New York Police

NEW YORK (NYT) — A federal judge has barred the New York City Police Department from destroying or altering records concerning the investigation of black radicals.

The judge's ruling was the first step toward a formal inquiry into whether the bureau or the investigations violated a federal court settlement last year that set strict limits on the department's monitoring of political activity.

Police Commissioner Benjamin Ward, who is black, said the spilling of broadcasts on radio station WLIB was begun in May, without his knowledge, to learn more about events and opinions in the black community. He said he expected the tapes stopped Monday after civil rights leaders charged it was improper. However, he said an investigation of black radicals known as the New York Eight was continuing.

Thatcher Prepares for Visit to U.S.

LONDON (NYT) — Prime Minister Margaret Thatcher began laying the groundwork for her visit to the United States by saying Friday that she did not think the Iran-contra affair had undermined President Ronald Reagan's international standing or his ability to achieve an arms control agreement with the Soviet Union.

In a related session with American reporters, Mrs. Thatcher said that the outlook was good for a U.S.-Soviet accord on intermediate-range nuclear weapons. She also said she expected a summit meeting between Mr. Reagan and Mikhail S. Gorbachev this year.

For the Record

Iran's forces killed or wounded 1,500 Iraqi fighters on the northern war front, Iran said Friday in a report monitored in Nicaragua. Iraq denied the report and said it was in control of the area.

Two ethnic Albanians, Sedat Guraj, 57, said his brother Aziz, 51, were sentenced in Yugoslavia on Friday to prison terms of up to 30 months on charges of "provoking national hatred" in the largely ethnic Albanian province of Kosovo, the Tanjug news agency reported in Belgrade. (AP)

American Telephone and Telegraph Co. said Friday that it has proposed adding Japan and Panama to the countries served by its international 800 service. AT&T said its filing with the Federal Communications Commission asks that the toll-free calling service from the two countries become available on Aug. 16. (Reuters)

TRAVEL UPDATE

The U.S. State Department declared Thursday that "the situation in Seoul has returned to normal" and canceled a warning issued June 19 to American travelers about violent demonstrations in South Korea. (AP)

Greece expects a large increase in U.S. tourists this year despite a chill in U.S.-Greek relations, tourist officials in Athens said Thursday. Last year American tourists declined by 70 percent over 1985 after a bomb explosion on a jet triggered fears of terrorism. (AP)

A strike by German hotel workers has reduced the number of tourists, especially Germans, who crowded the ruins near Naples, Italy, tourist officials said. The custodians are demanding more personnel. They said they cannot adequately control the crowds and guard against theft and vandalism. (AP)

## Students Rally in Seoul To Plan Further Efforts

By John Burgess  
Washington Post Service

SEOUL — Thousands of South Korean students, many of them skeptical of political concessions offered by the government, gathered Friday at Yonsei University here to plot strategy for keeping pressure on the government.

The gathering had some of the air of a victory celebration. But the message from many participants was that the government might go back on its word.

"We have been deceived so many times," said a Yonsei commercial college student. "Many people distrust the real intention of the government." Students from other Seoul campuses also attended.

Most estimates put the total number of students attending the rally at more than 20,000. Following more than five hours of speeches, songs and anti-government chanting, 2,000 to 3,000 of the students marched peacefully out of the campus's main gate.

Several hundred riot police stood aside to let them pass through an intersection that in the past weeks had been an almost daily battleground.

Several blocks away, the students sat down on sidewalks and sang songs in a subway station before dispersing. It was an unusual example of restraint on both sides.

Earlier this week, the ruling Democratic Justice Party bowed to three weeks of often violent student-led protests in the streets and agreed to grant virtually all the opposition's demands.

Many Koreans are hailing the party and its chairman, Roh Tae Woo, for recognizing the strength of public sentiment and granting the concessions rather than trying to end the crisis through force.

Some students, though, are angry that the government is depicting the concessions as a benevolent gift from Mr. Roh.

"It's not something Mr. Roh can do as a favor," said one Yonsei student. "It's something we really deserve."

The eight-point list of concessions included direct presidential elections and the release of political prisoners.

Part of the government's strategy in granting the concessions apparently was to split radical students away from moderate students and members of the public at large.

For the present, it seems to have worked. The demonstrations, which were the most serious ever to face the government of President Chun Doo Hwan, died down almost immediately once word of the concessions came.

Moderate students' apprehensions grow out of general feelings that the Chun government is a dictatorship and therefore by nature cannot do anything against its own interests.

Radical students agree, but argue that, even if implemented, the concessions fail to address the radical demands for such things as economic restructuring and the withdrawal of U.S. troops from South Korea.

With many members of the public apparently feeling the battle has been won, students are wondering how to restart their fight without dissipating the respect they acquired for helping bring the concessions from Mr. Chun.

"If we go and throw firebombs, people will think we are crazy," said a Yonsei student. "What we need to do is go out and tell people the eight points are not enough."

Blust Hurts Israeli Bus Driver

JERUSALEM — The driver of an Israeli bus traveling near Ashkelon, south of Tel Aviv, was injured Friday when a small explosive charge went off behind the rear-view mirror above his head, the police said.

CHURCH SERVICES

CENTER OF COPELHAGEN  
FIRST BAPTIST CHURCH, English speaking, Sun. 9:00, 11:00, 7:00-9:00 p.m. Tel. 2-12-12, 2-12-13, 2-12-14, 2-12-15, 2-12-16, 2-12-17, 2-12-18, 2-12-19, 2-12-20, 2-12-21, 2-12-22, 2-12-23, 2-12-24, 2-12-25, 2-12-26, 2-12-27, 2-12-28, 2-12-29, 2-12-30, 2-12-31, 2-12-32, 2-12-33, 2-12-34, 2-12-35, 2-12-36, 2-12-37, 2-12-38, 2-12-39, 2-12-40, 2-12-41, 2-12-42, 2-12-43, 2-12-44, 2-12-45, 2-12-46, 2-12-47, 2-12-48, 2-12-49, 2-12-50, 2-12-51, 2-12-52, 2-12-53, 2-12-54, 2-12-55, 2-12-56, 2-12-57, 2-12-58, 2-12-59, 2-12-60, 2-12-61, 2-12-62, 2-12-63, 2-12-64, 2-12-65, 2-12-66, 2-12-67, 2-12-68, 2-12-69, 2-12-70, 2-12-71, 2-12-72, 2-12-73, 2-12-74, 2-12-75, 2-12-76, 2-12-77, 2-12-78, 2-12-79, 2-12-80, 2-12-81, 2-12-82, 2-12-83, 2-12-84, 2-12-85, 2-12-86, 2-12-87, 2-12-88, 2-12-89, 2-12-90, 2-12-91, 2-12-92, 2-12-93, 2-12-94, 2-12-95, 2-12-96, 2-12-97, 2-12-98, 2-12-99, 2-12-100, 2-12-101, 2-12-102, 2-12-103, 2-12-104, 2-12-105, 2-12-106, 2-12-107, 2-12-108, 2-12-109, 2-12-110, 2-12-111, 2-12-112, 2-12-113, 2-12-114, 2-12-115, 2-12-116, 2-12-117, 2-12-118, 2-12-119, 2-12-120, 2-12-121, 2-12-122, 2-12-123, 2-12-124, 2-12-125, 2-12-126, 2-12-127, 2-12-128, 2-12-129, 2-12-130, 2-12-131, 2-12-132, 2-12-133, 2-12-134, 2-12-135, 2-12-136, 2-12-137, 2-12-138, 2-12-139, 2-12-140, 2-12-141, 2-12-142, 2-12-143, 2-12-144, 2-12-145, 2-12-146, 2-12-147, 2-12-148, 2-12-149, 2-12-150, 2-12-151, 2-12-152, 2-12-153, 2-12-154, 2-12-155, 2-12-156, 2-12-157, 2-12-158, 2-12-159, 2-12-160, 2-12-161, 2-12-162, 2-12-163, 2-12-164, 2-12-165, 2-12-166, 2-12-167, 2-12-168, 2-12-169, 2-12-170, 2-12-171, 2-12-172, 2-12-173, 2-12-174, 2-12-175, 2-12-176, 2-12-177, 2-12-178, 2-12-179, 2-12-180, 2-12-181, 2-12-182, 2-12-183, 2-12-184, 2-12-185, 2-12-186, 2-12-187, 2-12-188, 2-12-189, 2-12-190, 2-12-191, 2-12-192, 2-12-193, 2-12-194, 2-12-195, 2-12-196, 2-12-197, 2-12-198, 2-12-199, 2-12-200, 2-12-201, 2-12-202, 2-12-203, 2-12-204, 2-12-205, 2-12-206, 2-12-207, 2-12-208, 2-12-209, 2-12-210, 2-12-211, 2-12-212, 2-12-213, 2-12-214, 2-12-215, 2-12-216, 2-12-217, 2-12-218, 2-12-219, 2-12-220, 2-12-221, 2-12-222, 2-12-223, 2-12-224, 2-12-225, 2-12-226, 2-12-227, 2-12-228, 2-12-229, 2-12-230, 2-12-231, 2-12-232, 2-12-233, 2-12-234, 2-12-235, 2-12-236, 2-12-237, 2-12-238, 2-12-239, 2-12-240, 2-12-241, 2-12-242, 2-12-243, 2-12-244, 2-12-245, 2-12-246, 2-12-247, 2-12-248, 2-12-249, 2-12-250, 2-12-251, 2-12-252, 2-12-253, 2-12-254, 2-12-255, 2-12-256, 2-12-257, 2-12-258, 2-12-259, 2-12-260, 2-12-261, 2-12-262, 2-12-263, 2-12-264, 2-12-265, 2-12-266, 2-12-267, 2-12-268, 2-12-269, 2-12-270, 2-12-271, 2-12-272, 2-12-273, 2-12-274, 2-12-275, 2-12-276, 2-12-277, 2-12-278, 2-12-279, 2-12-280, 2-12-281, 2-12-282, 2-12-283, 2-12-284, 2-12-285, 2-12-286, 2-12-287, 2-12-288, 2-12-289, 2-12-290, 2-12-291, 2-12-292, 2-12-293, 2-12-294, 2-12-295, 2-12-296, 2-12-297, 2-12-298, 2-12-299, 2-12-300, 2-12-301, 2-12-302, 2-12-303, 2-12-304, 2-12-305, 2-12-306, 2-12-307, 2-12-308, 2-12-309, 2-12-310, 2-12-311, 2-12-312, 2-12-313, 2-12-314, 2-12-315, 2-12-316, 2-12-317, 2-12-318, 2-12-319, 2-12-320, 2-12-321, 2-12-322, 2-12-323, 2-12-324, 2-12-325, 2-12-326, 2-12-327, 2-12-328, 2-12-329, 2-12-330, 2-12-331, 2-12-332, 2-12-333, 2-12-334, 2-12-335, 2-12-336, 2-12-337, 2-12-338, 2-12-339, 2-12-340, 2-12-341, 2-12-342, 2-12-343, 2-12-344, 2-12-345, 2-12-346, 2-12-347, 2-12-348, 2-12-349, 2-12-350, 2-12-351, 2-12-352, 2-12-353, 2-12-354, 2-12-355, 2-12-356, 2-12-357, 2-12-358, 2-12-359, 2-12-360, 2-12-361, 2-12-362, 2-12-363, 2-12-364, 2-12-365, 2-12-366, 2-12-367, 2-12-368, 2-12-369, 2-12-370, 2-12-371, 2-12-372, 2-12-373, 2-12-374, 2-12-375, 2-12-376, 2-12-377, 2-12-378, 2-12-379, 2-12-380, 2-12-381, 2-12-382, 2-12-383, 2-12-384, 2-12-385, 2-12-386, 2-12-387, 2-12-388, 2-12-389, 2-12-390, 2-12-391, 2-12-392, 2-12-393, 2-12-394, 2-12-395, 2-12-396, 2-12-397, 2-12-398, 2-12-399, 2-12-400, 2-12-401, 2-12-402, 2-12-403, 2-12-404, 2-12-405, 2-12-406, 2-12-407, 2-12-408, 2-12-409, 2-12-410, 2-12-411, 2-12-412, 2-12-413, 2-12-414, 2-12-415, 2-12-416, 2-12-417, 2-12-418, 2-12-419, 2-12-420, 2-12-421, 2-12-422, 2-12-423, 2-12-424, 2-12-425, 2-12-426, 2-12-427, 2-12-428, 2-12-429, 2-12-430, 2-12-431, 2-12-432, 2-12-433, 2-12-434, 2-12-435, 2-12-436, 2-12-437, 2-12-438, 2-12-439, 2-12-440, 2-12-441, 2-12-442, 2-12-443, 2-12-444, 2-12-445, 2-12-446, 2-12-447, 2-12-448, 2-12-449, 2-12-450, 2-12-451, 2-12-452, 2-12-453, 2-12-454, 2-12-455, 2-12-456, 2-12-457, 2-12-458, 2-12-459, 2-12-460, 2-12-461, 2-12-462, 2-12-463, 2-12-464, 2-12-465, 2-12-466, 2-12-467, 2-12-468, 2-12-469, 2-12-470, 2-12-471, 2-12-472, 2-12-473, 2-12-474, 2-12-475, 2-12-476, 2-12-477, 2-12-478, 2-12-479, 2-12-480, 2-12-481, 2-12-482, 2-12-483, 2-12-484, 2-12-485, 2-12-486, 2-12-487, 2-12-488, 2-12-489, 2-12-490, 2-12-491, 2-12-492, 2-12-493, 2-12-494, 2-12-495, 2-12-496, 2-12-497, 2-12-498, 2-12-499, 2-12-500, 2-12-501, 2-12-502, 2-12-503, 2-12-504, 2-12-505, 2-12-506, 2-12-507, 2-12-508, 2-12-509, 2-12-510, 2-12-511, 2-12-512, 2-12-513, 2-12-514, 2-12-515, 2-12-516, 2-12-517, 2-12-518, 2-12-519, 2-12-520, 2-12-521, 2-12-522, 2-12-523, 2-12-524, 2-12-525, 2-12-526, 2-12-527, 2-12-528, 2-12







# Herald Tribune

Published With The New York Times and The Washington Post

## Damaged Alliance

### They Deserved This

Toshiba is getting what it deserves. In collusion with a smaller Norwegian firm, Kongsberg Vapenfabrikk, Toshiba Machine Company deliberately violated Japanese law and international agreement by selling crucial technology to the Russians. The U.S. Senate has now responded by voting 92 to 5 to bar products of the parent Toshiba Corporation and Kongsberg from the United States for two to five years. For Toshiba, which annually sells several billion dollars worth of consumer goods and industrial electronics in the United States, that is a stiff penalty. Excessive? Not really.

The Walker spy ring had signaled to the Soviets that the noisy propellers of their submarines were helping the NATO navies track them. To make better propellers, the Soviets needed equipment superior to any they had. In 1982 and 1983 they were able to buy four computer-guided milling machines from Toshiba; Kongsberg provided the software. In 1984 they got another four. Toshiba obtained the export licenses by falsifying the description of the equipment.

The U.S. government apparently learned of this breach last year, but it did not become public knowledge until a couple of months ago. The Japanese are prosecuting Toshiba Machine and two of its officials, but to most of Congress that seemed an inadequate response to a crime that had greatly assisted the Soviets in a desperately serious competition over submarine design.

American export controllers over the years have repeatedly complained that the Japanese and many of the European governments give far less attention to enforcement than it requires. There is a long-standing American accusation that while the United States bears the enormous costs of defending the Pacific, the Japanese pursue their commercial advantages without restraint. The trade quarrel has heightened congressional exasperation with Japan on defense and strategic differences; the Senate voted the penalties against Toshiba and Kongsberg as an amendment to the trade bill. (One addition to those penalties, the Helms amendment, should be dropped. Civil litigation for damages, against U.S. affiliates of offending foreign firms, is a bad way to enforce export rules.)

Japan can do two things to respond to American concern, and its government is already beginning to move on both. It needs to build up its tiny and underpowered export control apparatus and demonstrate familiar habits of command. Or is he acting, perhaps, under pressure from former Duvalier loyalists in the interim junta who may fear future prosecution at the hands of a democratically elected government?

Ordinary Haitians, who have surprised outsiders with their passion for democracy, have responded angrily to this coup. Their strikes and demonstrations have led to clashes with soldiers that have left 10 dead. But they have also now succeeded in compelling the general to negotiate on the election issue. What is needed is a complete reversal of the junta's unwise and unjustified power grab. Democratic principles, Haiti's constitution and the popular will all call clearly for an independent electoral process.

What moved General Namphy, who previously showed no lust for power, to such a drastic step? Is it the case of a soldier, shaped by a dictatorial regime, resorting to

that it is prepared to enforce its laws rigorously. Japanese-American cooperation in anti-submarine techniques can also be improved, and Prime Minister Yasuhiro Nakasone has already pledged a greater effort there. The Toshiba incident has done real damage to the alliance, in both military and political terms. To repair the alliance, Japan needs to show that it takes this lapse as seriously as the United States does.

### ... but Not That

Meanwhile, on the steps of the Capitol, for the cameras, several Republican congresspeople were busting up a Toshiba radio with sledgehammers. The organizer of the wrecking party was Representative Helen Delich Bentley of Maryland, who was breathing heavily about treason.

As street theater, it spoke mainly of congressional frustration. There are recurrent impulses in Congress to go after Japan on grounds that it is too outrageously successful and that the flood of Japanese products into America is an insupportable blow to American pride and prestige. That leads to the temptation to wrap oneself in the flag and try to strike back. But how? Smashing a radio ought to put the Japanese in their place.

Toshiba Machine did a despicable thing in selling highly sensitive technology to the Soviets. So did the Norwegian company, Kongsberg, and it may have struck Japanese viewers as they watched the television film of the sledgehammer scene that there was no reference to Norway or Norwegian products.

As for treason, the central and original treason in which this whole episode of Toshiba and the machine tools originated was the sale of American naval secrets to the Soviets by the Walker spy ring. And the Walkers were, unfortunately, American.

Not all of the security failures in this affair, nor the most damaging, were in Japan. The sledgehammer is one of the standard symbols in politics. It is a heavy, blunt and indiscriminate violence: reliance on smashing things rather than brains. It is a tool for splitting things apart and breaking them up. Reverting to the politics of the sledgehammer in the U.S.-Japanese alliance would massively and stupidly compound the damage done by the Toshiba affair. Representative Bentley's sledgehammer act conveyed a clear message, but perhaps not the one that she and her supporting cast had in mind.

—THE WASHINGTON POST.

## A Power Grab in Haiti

Jean-Claude Duvalier's successors have not much eased Haiti's grinding poverty, but they seemed to deserve credit at least for respecting civil liberties and moving toward free elections. No more. Last week the interim government of General Henri Namphy defied a newly ratified constitution and grabbed control of the voting machinery. That has touched off the worst crisis since the Duvaliers fled to France. The legitimacy of this year's scheduled presidential election has now been put in question, a point that should not escape the Reagan administration.

What moved General Namphy, who previously showed no lust for power, to such a drastic step? Is it the case of a soldier, shaped by a dictatorial regime, resorting to

imagination. Can such abstract virtues triumph over glaring problems? Yes, the commission responds, if the city will guarantee a place for the children of today's poverty in tomorrow's expanded service economy.

The school must be the focal point of such an effort, the report says, and it sensibly calls for a searching review of the decentralization policy in place since 1969. The commission makes several recommendations to spur motivation of principals, teachers and students. In addition, it emphasizes the importance of decent housing to family and neighborhood stability.

The commission calls New York a city of neighborhoods. Some who love their neighborhood may oppose others whose need for opportunity changes neighborhoods. To accommodate what some need, others may have to yield. Mayor Koch was right to appoint the commission and to embrace its report. The hard choices remain.

—THE NEW YORK TIMES.

## Other Comment

### Impasse in Central America

Only a hardened optimist could now give an even chance of success for the Central American peace plan elaborated by President Oscar Arias of Costa Rica. Leaders of the five Central American countries should have held a summit last week. Its postponement, even if a new date has been tentatively fixed for August, has dealt a near fatal blow to the plan's credibility.

The Arias plan is probably too ambitious in trying to bring about peace not just in Nicaragua but also in El Salvador and Guatemala at the same time; but it has the merit

of being honestly proposed by the representative of a genuine democracy with a long tradition of friendship with the United States. In giving the plan a cold shoulder, President Reagan has seriously narrowed his options for an honorable solution.

The blame is not all his. The Democrats have failed to come up with a coherent alternative policy; it is not clear whether they believe the Soviet threat is real or will accept a Sandinist Nicaragua. But it would be in everyone's interests if diplomacy were kept alive. The alternative is continued conflict, with unpredictable and costly consequences.

—THE FINANCIAL TIMES (London).

### INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER, Co-Chairmen

LEE W. HUBNER, Publisher  
JOHN VINOCUR, Executive Editor • WALTER WELLS, Editor • SAMUEL ABT, KATHERINE KNORR, FRANCIS DESMAISON, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages

RENÉ BONDY, Deputy Publisher • ALAIN LECOUR, Associate Publisher • ROLF D. KRANEFUHL, Advertising Sales Director • FRANCIS DESMAISON, Circulation Director • 92000 Neuilly-sur-Seine, France. International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92000 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertis, 613995; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Walter N. Thorpe  
Editor for Asia: Michael Richardson, 5 Convent Road, Singapore 0511. Tel. 472-7768. Telex: RS56928  
Managing Dir. Asia: Malcolm Glenn, 30 Collyer Quay, Hong Kong. Tel. 836-4802. Telex: 262009  
Managing Dir. U.K.: Robin Mackenzie, 15, Old Broad Street, London EC2M 1JL. Tel. 416731  
Gen. Mgr. W. Germany: W. Langewiesche, Friedrichstr. 15, 10000 Frankfurt/M. Tel. (069) 726753. Telex: 416731  
Pres. U.S.: Michael Cunniff, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 732-3800. Telex: 41773  
S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337  
© 1987, International Herald Tribune. All rights reserved. ISSN: 0244-8037.

## OPINION

# A Soviet Remedy: 'Only the Marketplace'

By Nikolay Shmelyov

Mr. Shmelyov is a Soviet author. This article has been excerpted from the June issue of the Soviet journal *Novy Mir*, and translated by John Glad, professor of Soviet studies at the University of Maryland and former director of the Kennan Institute for Advanced Russian Studies.

MOSCOW — The state of the economy satisfies no one. Its two chief defects are clear: the monopoly enjoyed by the producers, given a general shortage of goods, and the lack of interest on the part of manufacturers in scientific and technical progress.

Persistent, long-term efforts to overturn the objective laws of economic life and crush the age-old natural incentives to work have brought results directly opposite to those we had anticipated. We now have an economy which is out of touch and plagued with shortages, an economy which rejects scientific and technical progress and is unplanned — if we want to be totally honest — unplannable.

Massive apathy, indifference, by that any measures conceived within the framework of the existing system will do any good. We must finally decide what is most important to us: to have enough of our own agricultural commodities, or eternal pacify the landowners who would see us all perish in our poverty.

We must cut things by their proper names: foolishness as foolishness, incompetence as incompetence, Stalinism as Stalinism in action.

Over the centuries, humankind has found no more effective measure of work than profit. Our suspicious attitude toward profit is a sort of historical misunderstanding, the cost of the economic illiteracy of people who thought that socialism would eliminate profit and loss.

thief, disrespect for honest labor, together with aggressive envy toward those who earn more (even by honest physical) degradation of a significant part of the people as a result of alcoholism and idleness. There is a disbelief in the goals and intentions which have been declared, disbelief in the possibility of a rational organization of economic and social life.

For a long time agricultural growth rates have been less than 1 percent per year. In some years we had to use a minus sign to indicate our progress — even though the government has been making mind-boggling investments in this area. We must ask: Why are we paying these enormous sums? Can it actually be a fear of market relations? Or perhaps a very thin layer of our leading agricultural cadres need something to justify their existence?

The degradation of the countryside has progressed so far that it is unlike-

Perhaps we will lose our ideological virginity, but it now exists only in the fairy tale editorials of the newspaper.

The present system of material incentives for conscientious work is ineffective because it is worked less. Salaries and bonuses don't work because there is nothing for the people to buy with their money.

We need to permit companies and organizations to sell freely, to buy and borrow from their reserves so as to create a powerful and vibrant goods market. In place of fruitless efforts at central planning of our entire industrial production (some 24 million items), we should introduce contracts between supplier and consumer.

We need to realize that there is such a thing as natural unemployment among people who are looking for work changing their places of employment. The real possibility of losing one's job, of being shifted to a temporary unemployment subsidy, of

being forced to move to a new place of employment is not at all bad medicine to cure sloth and drunkenness. Many experts believe it would be cheaper to pass temporary unemployment compensation than to keep on a payroll of loafers who can (and do) find any effort to raise efficiency and quality.

The new economic policy of the 1980s must not sidestep the industrial revolution. There is such a disgusting proliferation of them and they are so top-heavy with administrators that they often have to invent something to do, and actually end up interfering with the work of the enterprises.

The hardest problem in organizing the economy on a totally bottom-line basis is redistributing prices. This is an exceptionally delicate question — partly because it will involve significantly raising prices of food and housing. Consumers are now receiving a subsidy of more than 50 billion rubles from the treasury. Why should they not receive this money in the form of a salary raise instead? Why underpay for meat while overpaying for yard goods and shoes? We will have to talk to people honestly, as was done in Hungary, where a major public relations effort was launched in 1976 to help introduce new prices peacefully.

The economic situation of enterprises and cooperatives will have to depend directly on profit, and profit cannot fulfill its function until wholesale prices are liberated from subsidies.

Over the centuries, humankind has found no more effective measure of work than profit. Our suspicious attitude toward profit is a sort of historical misunderstanding, the cost of the economic illiteracy of people who thought that socialism would eliminate profit and loss. In point of fact, the criticism of profit under socialism is in no way tainted; it simply tells whether you are working well or not.

We have resolved to create undertakings using foreign capital. It is even possible that we should consider creating free economic zones.

Another prejudice is the rejection of the stock company. Why should the savings of our citizens and enterprises not be used to create new undertakings or expand old ones? Can it really be that the country is better off hoarding this money in a stocker? I am convinced that our economy is

in need of a financial reform of no less depth and scope than in the early 1920s. Money, prices, incomes, credit, budget, government borrowings and the resulting government debt are all questions which we have not even begun to discuss on a serious basis. In the meantime the defects of our current financial system are obvious: the magnitude of deferred consumer demand, a budget full of tax loopholes, inflationary methods of financing, loans which are never to be repaid.

Finally, we have the problem of quality. Good quality is not so much a problem of conscientious work as of production and management — areas which are the responsibility of the leadership, not the worker. According to our most "patriotic" assessments, only 17 or 18 percent of the production of our manufacturing industry meets world standards. More cautious and pessimistic assessments run to 7 or 8 percent.

Only a gradual weakening and, ultimately, a total elimination of the manufacturers' monopoly will result in anything really new. Consumers need to have both rights and opportunities to take what is offered or turn it down. That means they have to have a real choice. And the producers must be faced with the real possibility of loss and even total bankruptcy if the goods they produce cannot be sold.

It is time to stop deceiving ourselves, stop believing the office legends, amuses, and calmly admit that the problem of "consumer selection," the problem of competition, is not rooted in any social or class relationships. There is no room here for even a whiff of ideology. This is a purely economic problem. Bottom-line market stimuli must extend to all stages of the research, development, investment, production, marketing and service process. Only the market place, not mere administrative innovations, can subordinate this entire chain to the consumers' demands.

Who is going to drain into the heads of our managers that the time of administrative methods is passing and that economics has laws that are just as terrible to violate as the laws of the atomic reactor in Chernobyl?

Who will break our managers' especially the high-level ones, of their feudal ideology, caste-like haughtiness, confidence in their own invulnerability, and "God-given" rights to command? Why should they think that they are above the law and immune to all criticism? What we need here is glasnost and democracy.

The Washington Post.

## Fresh American Cause to Celebrate on the Fourth

By Haynes Johnson

WASHINGTON — Gather round, fellow citizens. The question before the house, and before the fireworks start, is: Aside from longevity, what should we be celebrating?

For instance, what do you suppose those old-looking young Americans would think about the country they celebrated 211 years ago this Fourth of July, or the constitutional system of government they adopted 200 years ago this September?

They were an unlikely bunch of rebels, seeming so stiff and formal in pictures that survive them. If they materialized now, they would appear unbelievably old-fashioned to 20th century eyes. Yet there was nothing outmoded about their thinking or limited about their vision. As current events make dramatically clear, they were remarkably far-sighted in anticipating the kinds of problems present-day Americans confront and in fashioning means to deal with them, if we choose to use them.

Two contemporary questions of great magnitude are illustrative: the Iran-contra hearings and the advice-and-consent process about to begin on a president's nominee to the Supreme Court.

Each goes to the heart of the constitutional system, and each presents a special challenge for the nation's elected officials and citizens. Together, they pose the central question addressed by the founding fathers two centuries ago, the one they knew would always be with us. It is about power: how best to exercise it, how best to check it.

The founders understood two things from bitter experience as colonial serfs and from what history

had taught about rulers and regimes. First, those who wielded great power would inevitably abuse it. Second, safeguards were needed to counter and correct such abuses when they occurred. Without these, freedom of mind, spirit and action could not flourish. Their elaborate system of checks and balances was constructed with those facts in mind.

There is no doubt that those first citizens of the United States would instantly grasp the significance of the congressional hearings into executive abuses of power in the Iran-contra affair.

A recurring refrain about the hearings, echoed recently by the president and accepted by some in the news media and country, is that they are boring and insignificant — so, perhaps, in one writer's view — a waste of time and taxpayers' money. Nothing could be less true.

Far from finished, they have documented what will likely stand as one of the most sweeping attempts in American history by the executive branch to employ extralegal secret means, hidden from public scrutiny and beyond any political debate or accountability, to achieve ends that the policy makers were unwilling to submit to the democratic process for decision.

With this has come a sordid tale of official deceit, falsification and destruction of documents, concocted cover stories, plotting by high officials on how to mask their actions, backdated

legal findings that subsequently disappeared after being drafted for submission to the president, deliberate misleading of Congress and the American people and a pervasive attitude that the policy makers were above the law.

The scope of these actions is virtually unprecedented. Had such presidential conduct been known at a different time in Ronald Reagan's term, the ultimate constitutional check on presidential power — impeachment — might well have been employed. Instead, operating for every citizen to see is the remedy: four years ago — Congress or the courts can act to restore the altered balance of power.

The founders would have been gratified to see that process at work. They would also be reassured to know that their evenhandedness in balancing power permits even a weakened president like Mr. Reagan the opportunity to try to influence American life for decades through judicial appointments, which is what the Supreme Court nomination deliberations will be about.

These two events, each of critical importance for present and future, come almost simultaneously without undue stress to the nation: a testament to how effectively the system, formed so long ago by those practical, tough-minded, independent young Americans continues to function. It is as modern as it needs to be. That provides reason enough to celebrate.

Washington Post Writers Group.

## Exchange Programs With the Russians Are Traps

By Richard N. Perle

The writer resigned recently as U.S. assistant secretary of defense for international and security policy. This is adapted from testimony before the House Subcommittee on International Scientific Cooperation.

WASHINGTON — Our government has long known that the Soviet Union has had an aggressive program of acquiring U.S. and other Western technologies and technical know-how. For example, we recently discovered that a Japanese company and a Norwegian state enterprise conspired to give the Russians the equipment and know-how to improve their submarines — with devastating consequences for our national security.

Just how extensive the Soviet program is came as a shock to Western intelligence when, in the early '80s, it gained access to extremely sensitive Soviet documents that led to the conclusion that "the magnitude of the Soviet collection effort and their ability to assimilate collected equipment and technology are far greater than was previously believed."

"Far greater than was previously believed" is the sort of euphemism to which government officials resort when what they mean to say is this: "We had no idea the Soviets were ripping off our technology so skillfully, so comprehensively, so effectively, right under our noses. All along, we thought we knew what was going on, and then along comes a windfall cache of documents that shows that more than 5,000 Soviet military projects each year have been utilizing our technology. Someone ought to be fired."

Among the many collection agencies whose activities were revealed in those highly secret Soviet reports, which came to us early in the Reagan administration, is the Soviet Academy of Sciences. It is hardly surprising that the Soviet Union would turn to its principal scientific organization to perform a vital intelligence function. What is surprising is the enthusiasm with which various U.S. government agencies should advocate renewing, enlarging, extending and initiating scientific and technical exchanges with an organization known to be part of the Soviet intelligence establishment.

Equally surprising is the failure of the executive branch and any serious policy direction with respect to scientific exchanges with the Soviets.

My former colleagues may say that we have a splendid interagency organization for the analysis of the costs and benefits of scientific and technical exchanges — that we are rigorous in evaluating the advantages and disadvantages, weighing the risks, assessing the implications for security of sensitive arrangements with Soviet intelligence agents and their co-opted scientific and technical colleagues.

If congressmen were prepared to believe all that, they might as well spare the bureaucrats and invite the tooth fairy to give testimony. The unhappy fact is that we have no policy, no deliberate sense of gains and losses, no orderly interagency process for evaluating risks and benefits. We have been operating on a chaotic case-by-case basis that reflects the careless indifference with which the executive branch has treated the subject.

The several bureaucratic institutions that ought to develop and administer a careful and coherent policy have failed to do so. And they will go on failing until someone at a high level in the executive or legislative branch demands that they develop a rigorous, coherent national policy.

I know of instances in which the Defense Department learned, as the State Department was chilling champagne for a signing ceremony, that a lengthy negotiation with the Soviet Union had been under way and was about to lead to an agreement obligating us to support extensive scientific and technical exchanges in areas of great military sensitivity.

The attitude among my diplomatic

colleagues is that any exchange is to be in our interest because it is the State Department's mission to promote exchanges. For example, the Bureau of Ocean, Environmental and Scientific Affairs is relentless in promoting scientific exchanges despite studies done elsewhere in the department that, at the very least, should have caused the bureau to temper the reckless abandon to which it succumbs whenever it encounters a Soviet scientist with a pen in hand.

In the decade of the '70s, the Soviet Union got the lion's share of benefits from exchanges that were supposed to be mutually beneficial. Soviet secrecy prevented us from learning much of interest, while American openness facilitated Soviet acquisition of American technology and know-how.

In my view, the process by which decisions are made that affect broad policy, detailed negotiations and eventual implementation of agreements for scientific and technical exchanges with the Soviet Union is a sham.

Every agency of our government wishes to have its own exchange program. Little or no regard is given to costs. After all, none of the officials involved is spending his own money. Once he has started down the road toward a scientific exchange agreement, there will be trips to Moscow. A program that is not getting the budget that the bureaucrats who run it believe it deserves — fusion energy comes to mind — is likely to get an infusion of capital if it becomes the subject of an East-West exchange program. If a pet project can't make it on scientific merit, perhaps it will get funded as a "petite" initiative.

Don't make the mistake of believ-

ing that our national security is adequately protected in the bureaucratic morass that has become a substitute for serious policy-making with respect to exchange between the United States and the Soviet Union. If it is not, indeed, it often doesn't get considered at all unless the Defense Department kicks and screams and persuades someone in the White House to take a second look.

No one — I mean no one — has overall responsibility for assuring that the risks inherent in exchange programs with the Soviet Union are kept within reasonable bounds.

I urge Congress to conduct a thorough examination of these exchanges. Study the costs and benefits. Look into the backgrounds of the Russians who come to the United States to participate in them. Examine who pays for what and who learns what.

The New York Times.

## Cooperate For Peace In the Gulf

By Flora Lewis

PARIS — Top Reagan administration officials admit that there is risk in U.S. Navy operations in the Gulf. But, says Defense Secretary Casper Weinberger, "the risks of not doing it, I think, are higher."

It is not clear what he means by this. Secretary of State George Shultz says the decision is "basically in opposition to an increased role for the Soviet Union in the region." But the point is whether "highly visible" U.S. military involvement is likely to help bring an end to the war, or at least minimize the disruption of shipping, or whether it will spread and escalate the conflict.

Some basics need to be kept in mind. The war reflects many levels of hostility that have nothing to do with East-West issues. There is an age-old Arab-Persian antagonism, briefly muted when the shah made a deal with Iraq's Saddam Hussein on their common border. After the shah fell, Ayatollah Khomeini began issuing calls for the Shiite majority in Iraq to rise against Mr. Hussein's secular, socialist regime. He miscalculated.

Mr. Hussein denounced the border deal in 1980 and invaded Iraq, counting on support from Arabs in the population of Iraq's southern provinces and on military and political weakness in post-revolutionary Tehran. That was a bigger miscalculation.

With one-third of Iraq's population, Iraq now knows it cannot win a military victory. Mr. Hussein is ready to negotiate a status quo settlement. "If it probably," Mr. Hussein says, "Iraq cannot win militarily, which in Tehran's terms means provoking the collapse of Mr. Hussein's regime and seeing it replaced with Islamic, pro-Iranian rule."

But Tehran is not yet convinced that this is so, and views anything short of fulfilling its war aims as tantamount to accepting defeat. Practically everybody else in the world would consider victory by either side a disaster. The United States is sitting to Iraq because Iraq is the underdog.

The fighting has gone on for nearly seven years with tremendous loss of life. Both sides are armed from outside, often by the same countries. Although they spend a lot to finance Iraq, Arab states also help Iran, as a hedge. The Soviets and their allies supply both sides. So does China.

It is obvious that although the Soviet Union remains that can threaten U.S. ships, any Chinese, Washington has made no move about Beijing's contribution to the crisis and thunders about three small Soviet ships protecting Soviet-flagged Kuwaiti tankers.

And Washington says nothing at all about the Israeli involvement. Israel supplies weapons to both sides directly, as well as indirectly through the Iranian affair, and also through Israeli-Chinese-U.S. arms channel. There is an important Israeli arms mission in China. The main purpose of the deals to make money, as it is for France, Sweden and other suppliers.

But Israel maintains an obsolete strategic assessment of Iran as a potential ally and still considers bloodied, drained Iraq as the greater threat. This notion is at least as great a danger for Israel as it is for the United States. But Jerusalem has not been convinced, despite the so-called strategic consensus with Washington.

Any possibility of forcing an end to the war requires joint or at least parallel action by the superpowers, not just in the UN Security Council but because that council is needed to lean on allies if sanctions are to be "effective," the White House wish-word.

At least in the short run, U.S. and Soviet interests in the area coincide. Yet Moscow is worried about American incursions "for several reasons. One is the sheer unpredictability of consequences. A second is Moscow's priority for an arms control agreement and reduced superpower tensions, which could be upset if the United States got itself distracted by Gulf fighting. The third is possible expansion of U.S. bases and facilities in the area on a permanent basis, which Lev I. Mendelovich, director of planning in the Soviet Foreign Ministry, said would "raise dangerous tensions on our southern borders."

So there is a fairly good chance that the talks about the Gulf that Moscow has offered could bring a useful agreement. There is no chance that diplomacy will work without coordination with the Russians, and there is a risk to be avoided when both sides are running rival patrols in the same waters.

The reason Washington balks at fear of leaving the situation unresolved in the region. But with our own U.S. position, Moscow will calculate its own interest. It is better when the Russians are brought to see that this lies in cooperating to end a nasty war. Then U.S. naval operations would have a meaningful policy context.

The New York Times.

## IN OUR PAGES, 75 AND 50 YEARS AGO

### 1912: Praise for Wilson

NEW YORK — Governor Woodrow Wilson's nomination for the Presidency is discussed. The New York Times says: "By the nomination of Governor Wilson, the Democratic party regains its ancient estate of dignity and power." The New York Evening Post: "Mr. Wilson's nomination means . . . a dignified campaign on a high, intellectual level, and in case of his election, something of a new era." The Brooklyn Eagle: "Since John Quincy Adams, Mr. Wilson is the only man of paramount scholarship who has been nominated by either party for President." The Philadelphia Record: "Mr. Wilson is the new President." The Cincinnati Commercial Tribune: "The Convention left him second. Mr. Wilson will be the best." The St. Louis Globe Democrat: "Mr. Wilson will drive conservative Democrats into the Republican party."

### 1937: Fears for Earhart

SAN FRANCISCO — A fresh storm blocked the search for Amelia Earhart and her navigator, Fred G. Noonan, who were forced down in the Pacific (on July 2) and added to fears for their safety. The "element of" has flying achievements and as vice-president of National Airways, Inc., Earhart was wealthy in her own name, a linguist and a brilliant student. This fall, she was with a shock of untidy hair and a boyish smile burst casually into national prominence in 1928 as "only a passenger" on the trans-Atlantic flight of Walter Gatty and Louis Gordon. In 1932, she became the first woman to make a transcontinental non-stop flight. "George Palmer Putnam, in San Francisco to get his wife on her return from her round-the-world flight, is suffering from a nervous breakdown."



## Soviet Plan on Talks Is Rejected by Iran

European Currency Unit; p-pence; \$F -  
 noted; o - New; S - suspended; S/S - Stock.  
 Further information.

ADVERTISEMENT

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 3rd July 1987

Net asset values quotations are supplied by the Funds listed with the exception of some quoted based on issue price. The nominal symbol indicates frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (i) - irregularly.

AL-MAL GROUP		(w) WinchHolding Ltd. L.B.S. ECU	100.00	(w) GSAM Interim Inc.	SP	199.49	(d) Universal Bond Select.	SP	172.81
(w) Al-Mal Trust, S.A.	288.21	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
AFAP FINANCIAL CORP.		(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(w) AFAP Financial Corp.		(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) American Fund	11.643	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
AGB-B&B & CO. Ltd.		(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard	94.58	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard America	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Europe	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Japan	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Pacific	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Asia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Africa	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP	172.81	
(d) Seaboard Australia	149.09	(w) Winch Recovery Ltd.	100.00	(w) GSAM Interim Inc.	129.49	(d) Universal Bond Select.	SP		



## ARTS / LEISURE

## Chagall Statue For U.S.

By Suzanne Lowry  
International Herald Tribune

TUESDAY will be the centenary of the birth of the artist Marc Chagall. The occasion is being marked in the south of France where he spent his last, very prolific, days by ceremonies this weekend. But a more timeless memorial to his genius is now on show at a staging post in Switzerland, before going on permanent exhibition in New Jersey.

His only monumental sculpture, a marble carving of a mermaid, called "La Sirène," can be seen at the Château de Grandson on Lake Neuchâtel, awaiting shipment to the United States, where it will occupy a special place agreed to by the artist before he died in 1985.

"La Sirène" was a very personal work for Chagall; he chose the light gray-beige marble for it at Carrara, as did Michelangelo, and carved an entwined image of his lover, instantly recognizable, if mysterious. There is the mermaid, apparently lifted out of the sea by one of the curious beasts that Chagall created to depict himself, a self-portrait of the artist when young as Orpheus, the familiar lovers, flying fish, a bird and a donkey.

"La Sirène" stood outside Chagall's studio door in the courtyard of La Colline, his house in St. Paul-de-Vence, symbolizing, thinks the statue's owner, Pierre Barrier, the perpetual sense of uprootedness the artist felt in his life, amazement at new surroundings, and maybe, the impossibility of properly attuning to them. It also evokes the happiness and rich creativity of his last years.

Barrier, a Swiss art collector and property developer, was a friend of the Chagalls for some years and



Chagall's "La Sirène."

bought "La Sirène," in what he calls "a friendly sale," just before the artist's death. He has the agreement of Chagall and his widow, Vava, to move it to the United States to occupy a special site in a new development by Barrier on the right bank of the Hudson, opposite the Statue of Liberty. Chagall, who always took great care about the

siting of his work, agreed to the placement because he liked the idea of his mermaid being on the edge of the New World. He especially liked the idea that she would be within sight of the Statue of Liberty.

Chagall emigrated, or rather fled, to the United States from France in 1941. Later he said "I have lived and worked in America during the immense tragedy that universally touched mankind. I have not got any younger but I have gained in strength in an hospitable environment. Without that, my art had to deny its origins."

No date has been fixed for the statue's Atlantic crossing. Barrier says that he may exhibit the work at other places in Europe first.

## Creaks Amid the Hits in London Sales

**International Herald Tribune**  
LONDON — The tidal wave of liquidity in search of worth-while investment continues to sweep through the art market, but speculators are pushing their luck. Some creaks could be heard this week from the well-oiled machinery set up by auction houses to process what is left of the art of Impressionists and avant-garde trends of the 19th century.

Evidence of the vast capital available for art was plentiful at

## SOURIN MELIKIAN

Christie's £29.4 million sale on Monday when van Gogh's "Le Pont de Trinquetaille" done at Arles in 1888, went up to £12.6 million (about \$20.1 million). This astonishing price does almost greater credit to Christie's marketing skills than the more spectacular £24.75 million paid in March for the "Sunflowers." Unlike the still life it is an atypical van Gogh. The linear, heavily outlined composition is uncharacteristic at that period, as is the century-old device of distributing volume along diagonals that cross in the center. This is a bold, rather harsh experiment in perspective. To appreciate it requires close acquaintance with painting in general and van Gogh in particular. But anyone enjoying that training might on the other hand be turned off by the thin or, rather, uneven quality of the brushwork that is an essential aspect of the artist's achievement.

On closer inspection, it appears to be unfinished, as is often the case with experiments. Only the sky is beautifully done, in swift, short strokes discreetly suggesting the swirling movement without which there is no great Arles-period picture. They are more casually applied in the lower right corner. The underside of the arch is smeared over and the staircase wall looks like a blank, while the narrow steps and the bridge have been hastily, almost shoddily indicated. This is a masterpiece in shorthand, falling between two stools. Too soon for beginners, too far away from van Gogh's greatest for most connoisseurs, it could easily have remained unsold. It was acquired by the same collector who in December 1985 bought Manet's admirable but equally uncharacteristic view of a

Paris street under snow for £1.7 million — also at Christie's.

There were other huge prices on a more limited scale. A still life with chrysanthemums in a vase, grapes in a fruit bowl and peaches on a straw tray became the most expensive painting ever sold at auction, at £1.43 million. It is admirably painted but slightly conventional in composition and rather empty in the background, making the price even more impressive.

Equally remarkable in its way is the £1.04 million paid by the Nohmad brothers of New York and Geneva for a nude by Matisse. Painted in March 1936 in the artist's most idiosyncratic manner, it retains the Fauve feel for strong, contrasted colors laid flat, but no longer has the heavy Fauve outline. The price may reflect in part the forecast made a few months ago by the New York art market monthly Art & Auction, putting Matisse's paintings in that style among the possible successors to Impressionism in the blue chip category.

But even blue chips find their limits. Another splendid Matisse showing the painter Henriette Darcicarré at her easel fell flat. There was a genuine bid in the room at £1.1 million, according to insiders, but that apparently was not good enough for the professionals who were putting it up for sale only a year after it went at Sotheby's New York auction of May 1986 for \$1.1 million (then \$705,000).

While this was a plausible gamble, given the quality of the picture, others hardly stood a chance. Renoir's sketchy sketch in oil on canvas, with the kind of stampered signature added to countless rejects found in the artist's studio on his death, carried a wild £1-to-1.3-million estimate. It stopped dead in its tracks at £250,000. Even at that price, it would be dearly paid. Similar miscalculations concerning mostly works of the lowest order resulted in a failure rate that would be inevitable in any circumstances. Of 77 lots offered on Monday night, 18 found no buyer. In value, the rate is only 14 percent, thanks to the van Gogh sale.

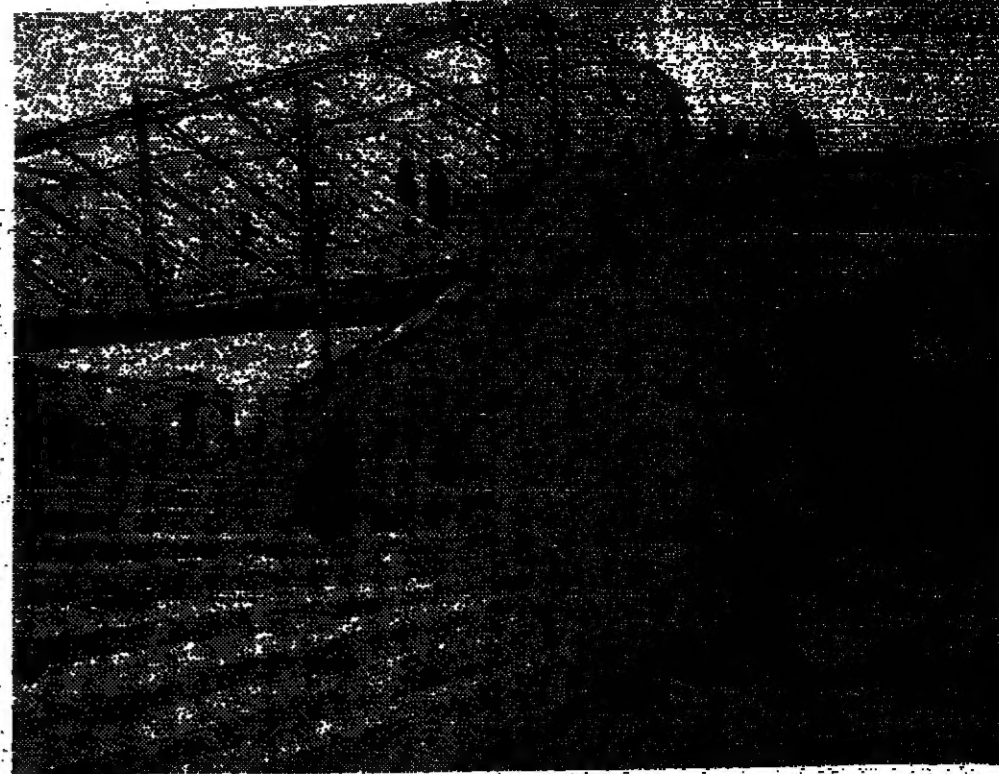
Some stunning successes such as the £1.76 million paid for an indifferent picture, close to Impressionist kitsch, done by Seiki Kuroda in Tokyo in 1898, throw a very thin veil on the dangers of such untrained speculators.

Tuesday, in Christie's second session, the same mistakes were repeated, this time leaving 47 of 244 lots unsold — 21 percent in value.

With few exceptions, the paintings and sculptures that found no buyer were wildly overestimated or, more accurately, carried reserves forced upon auction houses by sellers eager for profit. It takes a great optimism to hope for £50,000-£60,000 for a mildly pleasing view of a regatta by Paul César Hellen, best known for his etched portraits of café society women, or £35,000-£40,000 for Albert Lebourg's view of the Pont des Saints-Pères, so thinly painted that it looks like an unfinished sketch.

Sotheby's experienced the same problems with its evening sale, which totaled £24.94 million but had a 21.8 percent failure rate.

The inclusion of a remarkable landscape by Gustav Klimt made no difference to the outcome. The landscape, "Schloss Kammer am



Van Gogh's "Pont de Trinquetaille" sold for £12.6 million. Right, Seiki Kuroda's "Sous les Arbres."

Attizée II," is one of three views of a Baroque-style mansion seen from the lake. It combines the Pointillist technique with a Germanic perception of the expressiveness of forms and color, making it by far the most attractive Klimt seen at auction in years — aside from being his only landscape sold in this way. Not surprisingly, it set a record for the artist at £3.3 million.

But the aura of great art does not extend by alchemic transmutation to dubs, even dubs of great artists. A preparatory sketch for a large painting by Monet, "Le Port de Honfleur," done in dark heavy brushstrokes, may have been interesting for its surprising anticipation of the Fauve style that was to blossom 40 years later, but it is not much more than an art historical curiosity. Bidding stopped at £55,000 against an utterly improbable £120,000-£150,000 estimate.

The failure of another Monet landscape, titled in Sotheby's catalogue "Prie de Vénétil," was almost inevitable — it is so badly done that it makes one wonder whether some post-mortem brushstrokes were not added to this canvas, which is marked with the trustees of the artist's estate. A Degas "dancer," seen head and shoulders, similarly marked with a stamped signature, looks more like a blind ape than a graceful ballerina. The Monet was bought in at £350,000 and the Degas at £130,000, far below their lowest estimates, but still at a level well above their respective merits.

The minute a painting had the correct quality it sold well. Maximilien Luce's view of the Thames on a misty day, in the Pointillist manner he cultivated in 1893, may not be unforgettable, but it is well composed and has immense charm. Sold at £104,400 at Christie's in November 1985, it is said by trade sources to have changed hands

three times since then, and was bought on Tuesday by a New York investor for £253,000.

In short, the creaks heard this week resulted from the loss of any

sense of proportion by speculators. They should serve as a warning. Such creaks might scare the new buyers to whom the art market owes its unprecedented boom.

## DOONESBURY



## AUCTION SALES

## CHRISTIE'S MONACO

Important Sales December 1987  
Important Old Master Pictures, Furniture, Tapestries, Porcelain, Objects of Art, Art Nouveau, Art Deco



The Crown State: A Regence giltwood fauteuil from a suite of four chairs and a cante to be included in the sale of Important French Furniture, Objects d'Art and Porcelain on 7 December 1987.

If you would like to include your property in these sales or would like advice on the valuation of your property from our experts, please contact Christie's at one of the offices below:

Christie's London, 8 King Street, St. James's, London SW1 1AA. Tel: 01-839 9060. Telex: 916429.  
Christie's France S.A.R.L., 17 rue de Lille, 75007 Paris. Tel: 01-4261 1247. Telex: 213448.  
Christie's Monaco, Parc Princes, 98000 Monte-Carlo. Tel: 01-9228 1939. Telex: 489287.

## COLLECTOR'S GUIDE



## INVESTORS - COLLECTORS

130 antique American coin jubilees (Wurflitz, Rockola, Seeb, etc.) 1930's thru 1950's, plus lots parts & records.  
Best offer. Sell all only.

J. Walter Smith, 2028 W. Huisache, San Antonio, Texas 78201, U.S.A.

# Save 40%

or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune.

Take advantage of our special rate for new subscribers and we'll give you one extra month of Tribes free for each six months you subscribe. Total savings: 40% or more off the newsstand price in most European countries.

International Herald Tribune

To: Subscription Manager, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

Please enter my subscription for:  
☐ 12 months (+2 months free)  
☐ 6 months (+1 month free)  
☐ 3 months (+2 weeks free)  
☐ My check is enclosed.

Please charge my:  
☐ Access ☐ American Express  
☐ Diners Club ☐ Eurocard  
☐ Mastercard ☐ Visa



Signature \_\_\_\_\_  
Card expiry date \_\_\_\_\_  
Card account number \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Country \_\_\_\_\_  
Tel. \_\_\_\_\_  
\* In these countries, hard delivery is available in paper form on the publication date. For details and rates, please check here and fill in your address.

## INTERNATIONAL EDUCATION DIRECTORY

## SWITZERLAND

## COLLEGE ALPIN INTERNATIONAL BEAU SOLEIL VILLARS-SUR-OLLON (SWITZERLAND)

Boys and girls from ages 8 to 18 - Official French Baccalaureat degree A, B, C and D - Grades 6 to 12 in Anglo-American Section - College preparatory - Accelerated language courses - computer classes - Commercial Section with diverse language courses - Science and language laboratories - Summer language program. 107/12/08 - 4/16 weeks.

Spacious, modern private and public sports facilities including gymnasium, swimming pools, soccer field, basketball courts, fitness center, skating rink, tennis courts and adjacent ski slopes.



Separate boarding facilities for older girl students in MAISON DE LA HARPE.  
Beginning of the 1987-1988 school year:  
Tuesday, September 15th, 1987.  
1 1/2 hours by car from Geneva airport.

For full documentation write:  
COLLEGE ALPIN INTERNATIONAL BEAU SOLEIL  
1884 VILLARS-SUR-OLLON (SUISSE)  
Tel. 025/35 21 54/55/56 - Telex 456 210 BSVI

## PRIVATE SCHOOLS IN SWITZERLAND

For all information please apply to our Educational Adviser: Mr. Paul A. Mayor.  
SCHOLASTIC SERVICE "TRANSWORLDIA" - GENEVA  
2 Rue du Vicaire-Savoyard. Phone: 44 15 65.

## U.S.A.

## Today's Achievers

La Salle Military Academy gives young men the competitive edge to develop self-confidence, leadership and success.  
La Salle is a college-preparatory boarding school with a strong academic program for boys in grades 7 through 12, where the Christian Brothers instill values of the Catholic tradition through a nurturing and caring environment.

An International Studies Program for foreign students to learn English is held summers and during the academic year.

For information, please write or call:  
**La Salle Military Academy**  
OAKDALE, L.I., NEW YORK 11769 - (516) 569-0900  
OVER 100 YEARS OF ACADEMIC EXCELLENCE



**UNIVERSITY DEGREE**  
SACHELORS • MASTERS • DOCTORATE  
For Work, Academic, Life Experiences.  
Send detailed resume for free evaluation.  
**PACIFIC WESTERN UNIVERSITY**  
600 N. Sepulveda Blvd., Los Angeles, California 90049, Dept. 23, U.S.A.

**International Education Directory**  
appears every Saturday

**Study for a Hotel Career**  
at our Hotel Management Training Center, CHATEAU FORTALE, STRASBOURG, France.  
• 8-week French language courses  
• 1-year Certificate course in Hotel Operations, Hotel Accounting, 1700m, Front Desk, Reception, Travel and Tourism Services and French language.  
• 2-year diploma leading to the Associate of Business Administration degree (ABA) in Hotel Management covering Front Office Management, Hotel Law, Food & Beverage, Purchasing, Hotel Accounting, Languages etc. • BEA, NABA and NA degree programmes also offered at our London & LA centers.

Schiller International University  
New York, NY 10017  
London SW1 1AA  
Tel: 01-839 9060  
Telex: 916429

## INTERNATIONAL ART EXHIBITIONS

## PARIS

## GALERIE DENISE RENÉ

196 Blvd. St-Germain, 75007 PARIS - Tel.: 422.77.57

## ALBERS

"Homage to the square"

## GALERIE MERMOZ

## PRE-COLUMBIAN ART

6, Rue Jean-Mermoz, 75008 PARIS. Tel.: 43.59.82.44

## WALLY HINDLAY

Galleries International  
New York - Chicago  
Paris - London - Rome

2 Ave. Maffignon - Paris 8th  
Tel: 42.25.70.74. Opening hours, Saturday 10 a.m. to 1 p.m. - 2 to 7 p.m.

## EXHIBITION

## QUIZET - MACLET

## NILOUSS

Permanent exhibition of:  
ADAMOV, ARDISONNE, AUGÉ,  
BOUDET, BOUDET, BOUDET,  
CASSIGNOL, CHAURY,  
DUCAIRE, FABIEN, GAIL,  
GANTNER, GAVAIL, GORBIT,  
GUILLEBERT, HANNOUARD,  
HERBO, KEMPE, KLUGE, LE PIVO,  
MAIR, MICHEL-LENNY,  
MILKOV, NISSI, SEMRE,  
THOMAS, VIGNOLES, VOLLET.

A. VIDAL-QUADRAS, Portraits  
BALAZS: Sculptures

## MUSEE RODIN

77 rue de Varenne, 7<sup>e</sup> - AP Varenne

## MERKADO

## Centre Bi-Centre

In the gardens of the museum,  
Daily, except Tuesday,  
from 10 a.m. to 5:45 p.m.  
From July 1st to September 14th

## LONDON

## ZAMANA GALLERY

1 Cromwell Gardens, SW7,  
01-584 6612

## A SEARCH FOR EXCELLENCE

The Aga Khan Award  
for Architecture

Until 26 July  
Tues, Sat., 10.5.30, Sun. 12.5.30

## GERALD GODFREY FAR EASTERN ART

## INAUGURAL EXHIBITION

Chinese, Korean, Japanese and  
South East Asian Works Of Art  
June 12th to July 10th - Monday through Saturday  
Catalogue available at US\$15/£10 postpaid  
104 MOUNT STREET LONDON W1 TEL: 409-2777



AMEX prices	P	Commodity futures	P
AMEX bid/ask	P	Commodity options	P
NYSE prices	P	Gold prices	P
NYSE bid/ask	P	Interest rates	P
Commodity prices	P	Market summary	P
Currency rates	P	Options	P
Commodity futures	P	OTC stock	P
Dividends	P	Other markets	P

SATURDAY-SUNDAY, JULY 4-5, 1987

## ECONOMIC SCENE

## Post-Baby Boomers Seem A Forgotten Generation

By LOUIS UCHITELLE  
New York Times Service

NEW YORK — The generation following the baby boom is finally coming of age, but without the expected economic impact. Many economists thought that as these young people entered the labor force, their relative pay had fallen or remained flat in recent years, the Bureau of Labor Statistics reports.

In addition, the post-baby boomers are being largely ignored by consumer products companies. "Everyone's eye is in terms of vice president in the strategic services department at J. Walter Thompson, the ad agency. 'I think that's shortsighted, but the baby-boom generation still spends the big bucks.'"

All this is an inauspicious beginning for a generation that will have a major influence on the U.S. economy by the year 2000. The long-term economic issue is whether the post-baby boomers will eventually be able to earn enough and spend enough to keep the nation prosperous. And the first impression is that the majority won't.

"There are going to be fewer Americans with discretionary income by the late 1990s," said Martha Riche of the American Demographics Institute.

The oldest of the post-baby boomers are now 23 or 24, having been born after the birth rate peaked in the mid-1960s and began its decline to the current low level. But the economic impact of the post-baby boomers is most noticeable among the 16- to 19-year-olds just eligible for jobs or in college.

Their ranks are the first to truly shrink, falling to 14.5 million today from 16.7 million in 1979, when the tail end of the baby-boom generation was this age. By comparison, the nation's 20- to 24-year-olds total 19.6 million, almost as many as the 20.4 million people in the age group in 1979.

ALTHOUGH the post-baby boomers are entering adulthood, many experts argue that the buying clout of their elders, the baby boomers, is great enough to keep business executives' attention focused on the 21st century. Certainly the marketing efforts of the fast-food restaurants, with their new salad bars, and of Procter & Gamble Co., with its line of toothpaste for older people, are no longer focused on hooking the young as consumers.

The big puzzle is why the post-baby boomers' earnings are not rising and whether this will change. Their average weekly pay is less than two-thirds of the average pay of workers over 25. Adjusted for inflation, earnings for all age groups have shrunk since 1979, but the shortage of post-baby boomers was expected to make them an exception.

Various explanations are offered. Factory work, once a big employer of unskilled young people, is disappearing, and the service economy, for all its expansion, does not offer enough jobs to absorb all the post-baby boomers. In addition, the demand today is for educated, skilled and experienced workers, all areas of weakness among the young.

But there is a silver lining, of sorts. The baby boomers, competing for jobs, had closed the gap between the wages of new college graduates and those of people without a college education. By 1979 college graduates were earning only 10 percent more. But with the arrival of the post-baby boomers, the trend has reversed and the college premium is now 30 percent, a record level, surveys show.

College enrollment is rising as a result, and economists speculate that a large percentage of post-baby boomers will earn college degrees, someday enjoying high incomes. That might make up in buying power for their dwindling numbers. But it would also underscore the income gap between the college-educated and others in the labor force.

## Lufthansa Stake to Be Sold

Bavaria Bank Will Buy 5%

By Ferdinand Proczman  
International Herald Tribune

FRANKFURT — West Germany's government will sell a 5 percent stake in Deutsche Lufthansa AG, the government-controlled airline, to the Bayerische Landesbank, the Bavarian state central bank, a bank official said Friday.

The move surprised industry analysts, who said it creates a formidable roadblock to reducing the government's stake in Lufthansa under its privatization program. The purchase, they noted, strengthens the hand of Franz Josef Strauss, the premier of Bavaria, who strongly opposes any reduction in the government's role.

The industry analysts estimated the sale would be worth 150 million to 200 million Deutsche marks (\$82 million to \$109 million), based on Friday's closing price of 200 DM a share for Lufthansa on the Frankfurt Stock Exchange.

In 1984, the government announced plans to lower its stake in Lufthansa to 55 percent by the end of 1985, but those plans were dropped, due largely to opposition from Mr. Strauss. Industry experts have said he fears the airline could fall into foreign hands.

Bayerische Landesbank said the stake will come from part of the federal government's share in a 300 million DM equity capital increase planned by Lufthansa.

Both officials said the privatization policy was not at issue and the sale was arranged to keep the government's stake in Lufthansa around its current level of 76 percent of the airline's equity.

But analysts said the sale virtually guarantees the flag carrier will stay under government control.

Spokesmen for the West German Transportation Ministry were unavailable for comment. A finance ministry spokesman, and Lufthansa officials, declined comment.

Mr. Strauss is chairman of the supervisory board of Airbus Industrie, the European aerospace consortium, and also a member of Lufthansa's supervisory board.

"I have no doubt this sale was engineered by Mr. Strauss," one analyst said. "It fits precisely with what he wants. But I don't think it will mean a closer link between Lufthansa and Airbus."

## Pru-Bache Braves Investment Banking

'We might not meet our goal, but make a lot of money.'

— George L. Ball



The New York Times

By James Sterngold  
New York Times Service

NEW YORK — Prudential-Bache Securities has never before been a pioneer, but these days its energetic chairman, George L. Ball, is leading the stock brokerage on what he calls an expedition into Wall Street's most inviting frontier.

His aim is to build investment banking prowess rather than to buy an investment bank.

Ignoring the long odds against success, the retail-oriented firm has gone on a hiring binge. It is seeking to create a new management structure in an attempt to become a top player in the financial chic, but complex and risky, business of arranging mergers and buyouts, trading all kinds of securities and raising capital for companies.

Prudential-Bache hopes to elbow its way into the ranks of the top six investment banking firms, a realm known as the "bulge bracket" that garners the majority of the most lucrative deals.

The firm's executives acknowledge that they face a daunting task. They are now talking about not seeing rewards for their effort until 1991—two years later than planned in their "Project '89."

On Wall Street, the buildup has provoked widespread skepticism because of the elusive formula needed for success. Its elements range from cre-

ative but disciplined professionals to a tight internal culture that motivates and unifies. But most important, investment banks need credibility in the market.

The expansion has also drawn an ambivalent response from Prudential-Bache's owner, the giant Prudential Insurance Co. of America.

One of the toughest hurdles Prudential-Bache has to overcome is its credibility. It has to deliver on its promises, one of them being that the firm will be in the bulge bracket in four years. Mr. Ball has hinted, though, that he may be satisfied with something less than a total victory, that the firm may just develop several profitable niches in investment banking, as some other brokerages have done.

That compromise is regarded by some observers on Wall Street as achievable.

"There is some chance that the whole thing won't work at all, that we just spin our wheels in the sand," Mr. Ball said. "Really, there is a good possibility that we don't meet our goal but that we make a lot of money."

"But the worst decision would have been to not try at all because of all the missed opportunities. See PRU-BACHE, Page 9

## Japan's Surplus In Trade Shrank Slightly in May

Compiled by Our Staff From Dispatches

TOKYO — Japan's surplus on current account, the broadest trade measure, registered a modest decline in May from a year ago, the government reported Friday. It was the first such contraction in three years.

The decline indicated that the strong yen may be helping to reverse the U.S.-Japanese trade imbalance.

The Finance Ministry said the overall current account surplus narrowed to \$7.08 billion in May before seasonal adjustment, from \$7.65 billion a year earlier and \$7.99 billion in April.

The current account measures nonmerchandise items such as services as well as trade in merchandise.

The merchandise trade surplus also narrowed to \$8.05 billion in May from \$8.3 billion a year earlier, the ministry said. That compared with \$8.79 billion in April.

Exports rose 3 percent from a year earlier to \$18.16 billion, but were down from the monthly record of \$19.23 billion in April.

Imports climbed 8.7 percent to \$10.11 billion, but were down from the previous month's \$10.44 billion.

Ministry officials said the shrinkage in the current account surplus, the first since August 1984, was an indication that the "J-curve" effect might be taking place.

The J-curve effect is a theory that the appreciation of a currency tends to lead initially to an increase in the current account surplus before cutting it down in about one and a half years.

"We can't say anything definite yet, but we are inclined to think

after studying those statistics, that it may have started to recede," said a ministry official.

The U.S. dollar has declined to around 147 yen recently from 242 in September 1985.

At that time, finance officials of major industrial nations agreed to push the dollar lower in an effort to reduce big U.S. trade deficits. (AP, AFP)

## Employment Is Stagnant in West Germany

International Herald Tribune

NUREMBERG — West Germany's employment stagnated in June, the Federal Labor Office reported Friday, and government officials said they see little hope for significant improvement in jobless figures this year.

The number of registered unemployed fell marginally to 2.09 million, from 2.09 million in May, but seasonally adjusted, the total rose to 2.24 million from 2.22 million. The unemployed rate was unchanged at 8.3 percent.

Chancellor Helmut Kohl's center-right coalition has refused to establish make-work programs, maintaining that steady economic expansion will create lasting jobs.

But labor experts, including the president of the labor office, Heinrich Franke, say unemployment will be a problem until well into the 1990s.

## World Bank's First Loan to Poland Reportedly Being Prepared

Compiled by Our Staff From Dispatches

WARSAW — A senior World Bank official said Poland's proposed economic changes could allow the country to receive its first loan from the international lending agency, Polish newspapers said Friday. A senior Polish banker indicated the amount would be at least \$300 million.

Eugenio F. Lari, the World Bank's department director for East Europe, said in an interview with the government news agency PAP that the Bank was preparing to grant Poland loans in the current financial year that ends on June 30, 1988.

He said the credit would aim to help promote Polish exports, develop food production and reduce energy consumption. But he added that the readiness of the IMF and World Bank to help Poland's hard-pressed economy depended on the Communist government's progress in making economic changes.

Poland rejoined the International Monetary Fund last year after quitting 36 years before, and was also admitted to its sister organization, the World Bank. It has talked with both international agencies about its reform plans, but has not yet received any credits.

Like the changes in Hungary over the past 15 years, Poland's program envisages a slackening of the reins of central control over the economy and the introduction of some free-market policies.

Poland, struggling with a foreign debt of \$35 billion, deteriorating factories and an unmotivated work force, has reportedly said it needs fresh credits to boost hard-currency exports and thus meet debt servicing requirements.

Mr. Lari did not give any figures for the loans being considered. But asked about the amount of funds available, Andrzej Olechowski, of

the National Bank of Poland, said: "It is premature to set any figure but I can say that last year Hungary got \$300 million and it is a smaller country than Poland."

Mr. Olechowski said the credit would run over 15 years with a three-year grace period on principal repayments. With the World Bank acting as a catalyst, he said, commercial banks could double or triple the agency's loans.

The proposals for change include a greater role for markets and private enterprise, an elimination of inefficient enterprises through stricter application of bankruptcy

laws, and a decentralization of economic management.

The draft reform program has been presented to official trade unions, civic organizations and economists for consultation and an amended version is expected to be approved by the Sejm, the parliament, in the next few months.

Mr. Lari said that the reform must also include austerity measures to reduce state budget subsidies for obsolete factories, increase interest rates on credits for state-run factories, and raise prices for consumer goods. (AP, Reuters)

## Currency Rates

Cross Rates	July 3
Amsterdam	3.60
Bremen	3.60
Frankfurt	3.60
London (10)	1.61
Paris	1.61
New York (10)	1.61
Tokyo	1.61
Zurich	1.61
1 DM	1.61
1 SFR	1.61

Changes in London and other major currencies in other European currencies.

(a) Commercial bank (b) American bank (c) American bank to buy one unit of foreign currency (d) American bank to buy one unit of foreign currency (e) American bank to buy one unit of foreign currency (f) American bank to buy one unit of foreign currency (g) American bank to buy one unit of foreign currency (h) American bank to buy one unit of foreign currency (i) American bank to buy one unit of foreign currency (j) American bank to buy one unit of foreign currency (k) American bank to buy one unit of foreign currency (l) American bank to buy one unit of foreign currency (m) American bank to buy one unit of foreign currency (n) American bank to buy one unit of foreign currency (o) American bank to buy one unit of foreign currency (p) American bank to buy one unit of foreign currency (q) American bank to buy one unit of foreign currency (r) American bank to buy one unit of foreign currency (s) American bank to buy one unit of foreign currency (t) American bank to buy one unit of foreign currency (u) American bank to buy one unit of foreign currency (v) American bank to buy one unit of foreign currency (w) American bank to buy one unit of foreign currency (x) American bank to buy one unit of foreign currency (y) American bank to buy one unit of foreign currency (z) American bank to buy one unit of foreign currency (aa) American bank to buy one unit of foreign currency (ab) American bank to buy one unit of foreign currency (ac) American bank to buy one unit of foreign currency (ad) American bank to buy one unit of foreign currency (ae) American bank to buy one unit of foreign currency (af) American bank to buy one unit of foreign currency (ag) American bank to buy one unit of foreign currency (ah) American bank to buy one unit of foreign currency (ai) American bank to buy one unit of foreign currency (aj) American bank to buy one unit of foreign currency (ak) American bank to buy one unit of foreign currency (al) American bank to buy one unit of foreign currency (am) American bank to buy one unit of foreign currency (an) American bank to buy one unit of foreign currency (ao) American bank to buy one unit of foreign currency (ap) American bank to buy one unit of foreign currency (aq) American bank to buy one unit of foreign currency (ar) American bank to buy one unit of foreign currency (as) American bank to buy one unit of foreign currency (at) American bank to buy one unit of foreign currency (au) American bank to buy one unit of foreign currency (av) American bank to buy one unit of foreign currency (aw) American bank to buy one unit of foreign currency (ax) American bank to buy one unit of foreign currency (ay) American bank to buy one unit of foreign currency (az) American bank to buy one unit of foreign currency (ba) American bank to buy one unit of foreign currency (bb) American bank to buy one unit of foreign currency (bc) American bank to buy one unit of foreign currency (bd) American bank to buy one unit of foreign currency (be) American bank to buy one unit of foreign currency (bf) American bank to buy one unit of foreign currency (bg) American bank to buy one unit of foreign currency (bh) American bank to buy one unit of foreign currency (bi) American bank to buy one unit of foreign currency (bj) American bank to buy one unit of foreign currency (bk) American bank to buy one unit of foreign currency (bl) American bank to buy one unit of foreign currency (bm) American bank to buy one unit of foreign currency (bn) American bank to buy one unit of foreign currency (bo) American bank to buy one unit of foreign currency (bp) American bank to buy one unit of foreign currency (bq) American bank to buy one unit of foreign currency (br) American bank to buy one unit of foreign currency (bs) American bank to buy one unit of foreign currency (bt) American bank to buy one unit of foreign currency (bu) American bank to buy one unit of foreign currency (bv) American bank to buy one unit of foreign currency (bw) American bank to buy one unit of foreign currency (bx) American bank to buy one unit of foreign currency (by) American bank to buy one unit of foreign currency (bz) American bank to buy one unit of foreign currency (ca) American bank to buy one unit of foreign currency (cb) American bank to buy one unit of foreign currency (cc) American bank to buy one unit of foreign currency (cd) American bank to buy one unit of foreign currency (ce) American bank to buy one unit of foreign currency (cf) American bank to buy one unit of foreign currency (cg) American bank to buy one unit of foreign currency (ch) American bank to buy one unit of foreign currency (ci) American bank to buy one unit of foreign currency (cj) American bank to buy one unit of foreign currency (ck) American bank to buy one unit of foreign currency (cl) American bank to buy one unit of foreign currency (cm) American bank to buy one unit of foreign currency (cn) American bank to buy one unit of foreign currency (co) American bank to buy one unit of foreign currency (cp) American bank to buy one unit of foreign currency (cq) American bank to buy one unit of foreign currency (cr) American bank to buy one unit of foreign currency (cs) American bank to buy one unit of foreign currency (ct) American bank to buy one unit of foreign currency (cu) American bank to buy one unit of foreign currency (cv) American bank to buy one unit of foreign currency (cw) American bank to buy one unit of foreign currency (cx) American bank to buy one unit of foreign currency (cy) American bank to buy one unit of foreign currency (cz) American bank to buy one unit of foreign currency (da) American bank to buy one unit of foreign currency (db) American bank to buy one unit of foreign currency (dc) American bank to buy one unit of foreign currency (dd) American bank to buy one unit of foreign currency (de) American bank to buy one unit of foreign currency (df) American bank to buy one unit of foreign currency (dg) American bank to buy one unit of foreign currency (dh) American bank to buy one unit of foreign currency (di) American bank to buy one unit of foreign currency (dj) American bank to buy one unit of foreign currency (dk) American bank to buy one unit of foreign currency (dl) American bank to buy one unit of foreign currency (dm) American bank to buy one unit of foreign currency (dn) American bank to buy one unit of foreign currency (do) American bank to buy one unit of foreign currency (dp) American bank to buy one unit of foreign currency (dq) American bank to buy one unit of foreign currency (dr) American bank to buy one unit of foreign currency (ds) American bank to buy one unit of foreign currency (dt) American bank to buy one unit of foreign currency (du) American bank to buy one unit of foreign currency (dv) American bank to buy one unit of foreign currency (dw) American bank to buy one unit of foreign currency (dx) American bank to buy one unit of foreign currency (dy) American bank to buy one unit of foreign currency (dz) American bank to buy one unit of foreign currency (ea) American bank to buy one unit of foreign currency (eb) American bank to buy one unit of foreign currency (ec) American bank to buy one unit of foreign currency (ed) American bank to buy one unit of foreign currency (ee) American bank to buy one unit of foreign currency (ef) American bank to buy one unit of foreign currency (eg) American bank to buy one unit of foreign currency (eh) American bank to buy one unit of foreign currency (ei) American bank to buy one unit of foreign currency (ej) American bank to buy one unit of foreign currency (ek) American bank to buy one unit of foreign currency (el) American bank to buy one unit of foreign currency (em) American bank to buy one unit of foreign currency (en) American bank to buy one unit of foreign currency (eo) American bank to buy one unit of foreign currency (ep) American bank to buy one unit of foreign currency (eq) American bank to buy one unit of foreign currency (er) American bank to buy one unit of foreign currency (es) American bank to buy one unit of foreign currency (et) American bank to buy one unit of foreign currency (eu) American bank to buy one unit of foreign currency (ev) American bank to buy one unit of foreign currency (ew) American bank to buy one unit of foreign currency (ex) American bank to buy one unit of foreign currency (ey) American bank to buy one unit of foreign currency (ez) American bank to buy one unit of foreign currency (fa) American bank to buy one unit of foreign currency (fb) American bank to buy one unit of foreign currency (fc) American bank to buy one unit of foreign currency (fd) American bank to buy one unit of foreign currency (fe) American bank to buy one unit of foreign currency (ff) American bank to buy one unit of foreign currency (fg) American bank to buy one unit of foreign currency (fh) American bank to buy one unit of foreign currency (fi) American bank to buy one unit of foreign currency (fj) American bank to buy one unit of foreign currency (fk) American bank to buy one unit of foreign currency (fl) American bank to buy one unit of foreign currency (fm) American bank to buy one unit of foreign currency (fn) American bank to buy one unit of foreign currency (fo) American bank to buy one unit of foreign currency (fp) American bank to buy one unit of foreign currency (fq) American bank to buy one unit of foreign currency (fr) American bank to buy one unit of foreign currency (fs) American bank to buy one unit of foreign currency (ft) American bank to buy one unit of foreign currency (fu) American bank to buy one unit of foreign currency (fv) American bank to buy one unit of foreign currency (fw) American bank to buy one unit of foreign currency (fx) American bank to buy one unit of foreign currency (fy) American bank to buy one unit of foreign currency (fz) American bank to buy one unit of foreign currency (ga) American bank to buy one unit of foreign currency (gb) American bank to buy one unit of foreign currency (gc) American bank to buy one unit of foreign currency (gd) American bank to buy one unit of foreign currency (ge) American bank to buy one unit of foreign currency (gf) American bank to buy one unit of foreign currency (gg) American bank to buy one unit of foreign currency (gh) American bank to buy one unit of foreign currency (gi) American bank to buy one unit of foreign currency (gj) American bank to buy one unit of foreign currency (gk) American bank to buy one unit of foreign currency (gl) American bank to buy one unit of foreign currency (gm) American bank to buy one unit of foreign currency (gn) American bank to buy one unit of foreign currency (go) American bank to buy one unit of foreign currency (gp) American bank to buy one unit of foreign currency (gq) American bank to buy one unit of foreign currency (gr) American bank to buy one unit of foreign currency (gs) American bank to buy one unit of foreign currency (gt) American bank to buy one unit of foreign currency (gu) American bank to buy one unit of foreign currency (gv) American bank to buy one unit of foreign currency (gw) American bank to buy one unit of foreign currency (gx) American bank to buy one unit of foreign currency (gy) American bank to buy one unit of foreign currency (gz) American bank to buy one unit of foreign currency (ha) American bank to buy one unit of foreign currency (hb) American bank to buy one unit of foreign currency (hc) American bank to buy one unit of foreign currency (hd) American bank to buy one unit of foreign currency (he) American bank to buy one unit of foreign currency (hf) American bank to buy one unit of foreign currency (hg) American bank to buy one unit of foreign currency (hh) American bank to buy one unit of foreign currency (hi) American bank to buy one unit of foreign currency (hj) American bank to buy one unit of foreign currency (hk) American bank to buy one unit of foreign currency (hl) American bank to buy one unit of foreign currency (hm) American bank to buy one unit of foreign currency (hn) American bank to buy one unit of foreign currency (ho) American bank to buy one unit of foreign currency (hp) American bank to buy one unit of foreign currency (hq) American bank to buy one unit of foreign currency (hr) American bank to buy one unit of foreign currency (hs) American bank to buy one unit of foreign currency (ht) American bank to buy one unit of foreign currency (hu) American bank to buy one unit of foreign currency (hv) American bank to buy one unit of foreign currency (hw) American bank to buy one unit of foreign currency (hx) American bank to buy one unit of foreign currency (hy) American bank to buy one unit of foreign currency (hz) American bank to buy one unit of foreign currency (ia) American bank to buy one unit of foreign currency (ib) American bank to buy one unit of foreign currency (ic) American bank to buy one unit of foreign currency (id) American bank to buy one unit of foreign currency (ie) American bank to buy one unit of foreign currency (if) American bank to buy one unit of foreign currency (ig) American bank to buy one unit of foreign currency (ih) American bank to buy one unit of foreign currency (ii) American bank to buy one unit of foreign currency (ij) American bank to buy one unit of foreign currency (ik) American bank to buy one unit of foreign currency (il) American bank to buy one unit of foreign currency (im) American bank to buy one unit of foreign currency (in) American bank to buy one unit of foreign currency (io) American bank to buy one unit of foreign currency (ip) American bank to buy one unit of foreign currency (iq) American bank to buy one unit of foreign currency (ir) American bank to buy one unit of foreign currency (is) American bank to buy one unit of foreign currency (it) American bank to buy one unit of foreign currency (iu) American bank to buy one unit of foreign currency (iv) American bank to buy one unit of foreign currency (iw) American bank to buy one unit of foreign currency (ix) American bank to buy one unit of foreign currency (iy) American bank to buy one unit of foreign currency (iz) American bank to buy one unit of foreign currency (ja) American bank to buy one unit of foreign currency (jb) American bank to buy one unit of foreign currency (jc) American bank to buy one unit of foreign currency (jd) American bank to buy one unit of foreign currency (je) American bank to buy one unit of foreign currency (jf) American bank to buy one unit of foreign currency (jg) American bank to buy one unit of foreign currency (jh) American bank to buy one unit of foreign currency (ji) American bank to buy one unit of foreign currency (jj) American bank to buy one unit of foreign currency (jk) American bank to buy one unit of foreign currency (jl) American bank to buy one unit of foreign currency (jm) American bank to buy one unit of foreign currency (jn) American bank to buy one unit of foreign currency (jo) American bank to buy one unit of foreign currency (jp) American bank to buy one unit of foreign currency (jq) American bank to buy one unit of foreign currency (jr) American bank to buy one unit of foreign currency (js) American bank to buy one unit of foreign currency (jt) American bank to buy one unit of foreign currency (ju) American bank to buy one unit of foreign currency (jv) American bank to buy one unit of foreign currency (jw) American bank to buy one unit of foreign currency (jx) American bank to buy one unit of foreign currency (jy) American bank to buy one unit of foreign currency (jz) American bank to buy one unit of foreign currency (ka) American bank to buy one unit of foreign currency (kb) American bank to buy one unit of foreign currency (kc) American bank to buy one unit of foreign currency (kd) American bank to buy one unit of foreign currency (ke) American bank to buy one unit of foreign currency (kf) American bank to buy one unit of foreign currency (kg) American bank to buy one unit of foreign currency (kh) American bank to buy one unit of foreign currency (ki) American bank to buy one unit of foreign currency (kj) American bank to buy one unit of foreign currency (kk) American bank to buy one unit of foreign currency (kl) American bank to buy one unit of foreign currency (km) American bank to buy one unit of foreign currency (kn) American bank to buy one unit of foreign currency (ko) American bank to buy one unit of foreign currency (kp) American bank to buy one unit of foreign currency (kq) American bank to buy one unit of foreign currency (kr) American bank to buy one unit of foreign currency (ks) American bank to buy one unit of foreign currency (kt) American bank to buy one unit of foreign currency (ku) American bank to buy one unit of foreign currency (kv) American bank to buy one unit of foreign currency (kw) American bank to buy one unit of foreign currency (kx) American bank to buy one unit of foreign currency (ky) American bank to buy one unit of foreign currency (kz) American bank to buy one unit of foreign currency (la) American bank to buy one unit of foreign currency (lb) American bank to buy one unit of foreign currency (lc) American bank to buy one unit of foreign currency (ld) American bank to buy one unit of foreign currency (le) American bank to buy one unit of foreign currency (lf) American bank to buy one unit of foreign currency (lg) American bank to buy one unit of foreign currency (lh) American bank to buy one unit of foreign currency (li) American bank to buy one unit of foreign currency (lj) American bank to buy one unit of foreign currency (lk) American bank to buy one unit of foreign currency (ll) American bank to buy one unit of foreign currency (lm) American bank to buy one unit of foreign currency (ln) American bank to buy one unit of foreign currency (lo) American bank to buy one unit of foreign currency (lp) American bank to buy one unit of foreign currency (lq) American bank to buy one unit of foreign currency (lr) American bank to buy one unit of foreign currency (ls) American bank to buy one unit of foreign currency (lt) American bank to buy one unit of foreign currency (lu) American bank to buy one unit of foreign currency (lv) American bank to buy one unit of foreign currency (lw) American bank to buy one unit of foreign currency (lx) American bank to buy one unit of foreign currency (ly) American bank to buy one unit of foreign currency (lz) American bank to buy one unit of foreign currency (ma) American bank to buy one unit of foreign currency (mb) American bank to buy one unit of foreign currency (mc) American bank to buy one unit of foreign currency (md) American bank to buy one unit of foreign currency (me) American bank to buy one unit of foreign currency (mf) American bank to buy one unit of foreign currency (mg) American bank to buy one unit of foreign currency (mh) American bank to buy one unit of foreign currency (mi) American bank to buy one unit of foreign currency (mj) American bank to buy one unit of foreign currency (mk) American bank to buy one unit of foreign currency (ml) American bank to buy one unit of foreign currency (mn) American bank to buy one unit of foreign currency (mo) American bank to buy one unit of foreign currency (mp) American bank to buy one unit of foreign currency (mq) American bank to buy one unit of foreign currency (mr) American bank to buy one unit of foreign currency (ms) American bank to buy one unit of foreign currency (mt) American bank to buy one unit of foreign currency (mu) American bank to buy one unit of foreign currency (mv) American bank to buy one unit of foreign currency (mw) American bank to buy one unit of foreign currency (mx) American bank to buy one unit of foreign currency (my) American bank to buy one unit of foreign currency (mz) American bank to buy one unit of foreign currency (na) American bank to buy one unit of foreign currency (nb) American bank to buy one unit of foreign currency (nc) American bank to buy one unit of foreign currency (nd) American bank to buy one unit of foreign currency (ne) American bank to buy one unit of foreign currency (nf) American bank to buy one unit of foreign currency (ng) American bank to buy one unit of foreign currency (nh) American bank to buy one unit of foreign currency (ni) American bank to buy one unit of foreign currency (nj) American bank to buy one unit of foreign currency (nk) American bank to buy one unit of foreign currency (nl) American bank to buy one unit of foreign currency (nm) American bank to buy one unit of foreign currency (nn) American bank to buy one unit of foreign currency (no) American bank to buy one unit of foreign currency (np) American bank to buy one unit of foreign currency (nq) American bank to buy one unit of foreign currency (nr) American bank to buy one unit of foreign currency (ns) American bank to buy one unit of foreign currency (nt) American bank to buy one unit of foreign currency (nu) American bank to buy one unit of foreign currency (nv) American bank to buy one unit of foreign currency (nw) American bank to buy one unit of foreign currency (nx) American bank to buy one unit of foreign currency (ny) American bank to buy one unit of foreign currency (nz) American bank to buy one unit of foreign currency (oa) American bank to buy one unit of foreign currency (ob) American bank to buy one unit of foreign currency (oc) American bank to buy one unit of foreign currency (od) American bank to buy one unit of foreign currency (oe) American bank to buy one unit of foreign currency (of) American bank to buy one unit of foreign currency (og) American bank to buy one unit of foreign currency (oh) American bank to buy one unit of foreign currency (oi) American bank to buy one unit of foreign currency (oj) American bank to buy one unit of foreign currency (ok) American bank to buy one unit of foreign currency (ol) American bank to buy one unit of foreign currency (om) American bank to buy one unit of foreign currency (on) American bank to buy one unit of foreign currency (oo) American bank to buy one unit of foreign currency (op) American bank to buy one unit of foreign currency (oq) American bank to buy one unit of foreign currency (or) American bank to buy one unit of foreign currency (os) American bank to buy one unit of foreign currency (ot) American bank to buy one unit of foreign currency (ou) American bank to buy one unit of foreign currency (ov) American bank to buy one unit of foreign currency (ow) American bank to buy one unit of foreign currency (ox) American bank to buy one unit of foreign currency (oy) American bank to buy one unit of foreign currency (oz) American bank to buy one unit of foreign currency (pa) American bank to buy one unit of foreign currency (pb) American bank to buy one unit of foreign currency (pc) American bank to buy one unit of foreign currency (pd) American bank to buy one unit of foreign currency (pe) American bank to buy one unit of foreign currency (pf) American bank to buy one unit of foreign currency (pg) American bank to buy one unit of foreign currency (ph) American bank to buy one unit of foreign currency (pi) American bank to buy one unit of foreign currency (pj) American bank to buy one unit of foreign currency (pk) American bank to buy one unit of foreign currency (pl) American bank to buy one unit of foreign currency (pm) American bank to buy one unit of foreign currency (pn) American bank to buy one unit of foreign currency (po) American bank to buy one unit of foreign currency (pp) American bank to buy one unit of foreign currency (pq) American bank to buy one unit of foreign currency (pr) American bank to buy one unit of foreign currency (ps) American bank to buy one unit of foreign currency (pt) American bank to buy one unit of foreign currency (pu) American bank to buy one unit of foreign currency (pv) American bank to buy one unit of foreign currency (pw) American bank to buy one unit of foreign currency (px) American bank to buy one unit of foreign currency (py) American bank to buy one unit of foreign currency (pz) American bank to buy one unit of foreign currency (qa) American bank to buy one unit of foreign currency (qb) American bank to buy one unit of foreign currency (qc) American bank to buy one unit of foreign currency (qd) American bank to buy one unit of foreign currency (qe) American bank to buy one unit of foreign currency (qf) American bank to buy one unit of foreign currency (qg) American bank to buy one unit of foreign currency (qh) American bank to buy one unit of foreign currency (qi) American bank to buy one unit of foreign currency (qj) American bank to buy one unit of foreign currency (qk) American bank to buy one unit of foreign currency (ql) American bank to buy one unit of foreign currency (qm) American bank to buy one unit of foreign currency (qn) American bank to buy one unit of foreign currency (qo) American bank to buy one unit of foreign currency (qp) American bank to buy one unit of foreign currency (qq) American bank to buy one unit of foreign currency (qr) American bank to buy one unit of foreign currency (qs) American bank to buy one unit of foreign currency (qt) American bank to buy one unit of foreign currency (qu) American bank to buy one unit of foreign currency (qv) American bank to buy one unit of foreign currency (qw) American bank to buy one unit of foreign currency (qx) American bank to buy one unit of foreign currency (qy) American bank to buy one unit of foreign currency (qz) American bank to buy one unit of foreign currency (ra) American bank to buy one unit of foreign currency (rb) American bank to buy one unit of foreign currency (rc) American bank to buy one unit of foreign currency (rd) American bank to buy one unit of foreign currency (re) American bank to buy one unit of foreign currency (rf) American bank to buy one unit of foreign currency (rg) American bank to buy one unit of foreign currency (rh) American bank to buy one unit of foreign currency (ri) American bank to buy one unit of foreign currency (rj) American bank to buy one unit of foreign currency (rk) American bank to buy one unit of foreign currency (rl) American bank to buy one unit of foreign currency (rm) American bank to buy one unit of foreign currency (rn) American bank to buy one unit



## BUSINESS ROUNDUP

## USA Today: Road to Survival Littered With Losses

By Alex S. Jones  
New York Times Service

NEW YORK — In a move of unusual corporate candor, Gannett Co. has cooperated in the preparation of a book chronicling the tumultuous history of its USA Today, complete with tales of infighting, costly mistakes and a furious struggle to keep the national newspaper alive.

USA Today's survival came at a high price, according to "The Making of McPaper: The Inside Story of USA Today," by Peter Prichard, who is the managing editor of cover articles for the newspaper and a former speechwriter for Allen H. Neuharth, Gannett's chairman. The book's title mocks the newspaper's critics, who had nicknamed it McPaper because of its short articles and glib, colorful graphics, which they characterized as fast-food journalism.

The book discloses that USA Today, which started up in 1982, had operating losses of \$457 million by the end of 1986. In a news release Thursday, Gannett called the loss "a relatively modest investment" after taxes. The book's financial figures do not include the unspecified cost of the many employees that Gannett borrowed from its other newspapers to work on USA Today.

In addition, Gannett incurred \$208 million in capital costs for printing presses and other equipment since the project began. Much of

that was spent on USA Today, according to the manuscript of the book, which was obtained through sources who asked not to be named.

The total losses were "considerably more than we had thought," said Bruce Thorp, a newspaper industry analyst for Lynch, Jones & Ryan in Washington. Nevertheless, Gannett has remained highly profitable over all, showing net earnings of \$276 million on revenues of \$2.8 billion in 1986.

Gannett recently announced that USA Today, which has a circulation of about 1.3 million, according to the Audit Bureau of Circulations, had its first profitable month in May and predicted that the paper's loss for 1987 would be less than a third of the \$34 million it had originally projected.

In addition to the battle for financial success, Mr. Prichard's book chronicles the human toll USA Today claimed as people fell by the wayside after months of stress and nonstop work. At the center of the tale is Mr. Neuharth, the driven chairman of Gannett, whose determination that USA Today succeed became an obsession that sometimes took a bizarre form.

For instance, the book recounts how Mr. Neuharth, sensing a lethargy among top executives in November 1984, summoned them to his home in Cocoa Beach, Florida, where he told them to cut costs or else. But Mr. Neuharth felt that an extra jolt was needed.

That evening, the executives entered a private dining room at a local restaurant to find a long table spread with jugs of Manischewitz wine and pieces of unleavened bread, in an imitation of the Last Supper.

Mr. Neuharth, with a crown of thorns on his head and a huge wooden cross leaning against the wall behind him, told the stunned executives, "I am the crucified one," according to Mr. Prichard's account. Then he presided at what he called "The Service for the Passed-Over," which was to be the executives' fate if USA Today floundered.

Mr. Prichard quotes Mr. Neuharth as saying later that "those who got the humor of it laughed; those who were offended didn't get it."

Along the way, Gannett made several mistakes that cost it millions of dollars. For instance, it severely underestimated the amount of computing power needed to handle USA Today's needs. In another case, an ill-conceived circulation promotion cost Gannett \$12 million.

## ■ Gannett's Figure on Losses

Gannett said Thursday that USA Today had had total after-tax operating losses of about \$233 million since 1982, Reuters reported from Washington.

## Grand Met Acquires 10% Stake in Martell

By Axel Krause  
International Herald Tribune

PARIS — Grand Metropolitan PLC, the British food, beverage and hotel group, said Friday it had acquired a 10 percent share in Martell & Compagnie, France's second-largest cognac producer, for around £30 million (\$48.5 million).

Executives of both companies said it was a first step toward merging their worldwide drinks distribution networks.

They said that the Martell family would retain ownership of about 45

percent of the company's 1.3 million shares outstanding, and 57 percent of the voting rights.

The move will permit the British company's wine and spirits division, International Distillers & Vintners Ltd., to add Martell cognac and Jannet armagnac to its line of beverages, which includes J&B whisky, Smirnoff vodka and Gilbey's gin.

"We had a gap in our beverage line, namely brandy," said Tim Halford, a spokesman for Grand Metropolitan in London, "and now

we have not only the product, but a partner which is particularly strong in the Far East where we are not."

Grand Metropolitan and Martell will merge sales networks in Western Europe and in Asia. They intend to extend the accord to the United States and Britain, where each group already has long-term distribution arrangements.

Grand Metropolitan announced in January that it would buy Heublein Inc., the world's second-largest marketer of distilled spirits, for about \$1.2 billion.

## Hachette Takes Control Of Le Provençal Papers

Reuters

MARSEILLE — Hachette, the big French publisher, said Friday that it had taken control of the Marseille-based newspaper group Le Provençal, founded by the Socialist politician Gaston Defferre.

Hachette said it bought a majority of the stock from Edmonde Charles-Roux, Defferre's widow, and her sister-in-law, Marie-Louise Cordes. The group has four regional dailies. Their combined circulation is 350,000.

## COMPANY NOTES

Amada Co., a Japanese manufacturer of lathes and pressing machines, said net profit fell to 4.05 billion yen (\$27.33 million), or 20.82 yen per share, in the year ended March 31, from 14.56 billion yen, or 74.87 yen a share, a year earlier. Sales were 117.28 billion yen, against 142.39 billion.

Bayerische Motoren Werke AG said revenue rose by 17 percent to 8.92 billion Deutsche marks (currently \$4.87 billion) in the first six months of this year from a year earlier, largely through sale of its "T" series of prestige cars.

Cambrian & General Securities shares are likely to rise only \$37 million of the \$50 million that the U.S. government expected to receive as part of a settlement by Ivan F. Boesky of insider trading charges, according to legal sources.

Ernst & Whinney, the auditor for Continental Illinois National Bank before its near-collapse in 1984, has been cleared by a federal jury in Chicago of charges it failed to warn bank officials of bad energy loans bought from Penn Square Bank of Oklahoma City. The case was brought by the Federal Deposit Insurance Corp. and some former Continental shareholders.

Ford-Werke AG, the West German subsidiary of Ford Motor Co., reported net profit of 387 million Deutsche marks (currently \$320.2 million) in 1986, a sharp turnaround from losses of 215 million DM in 1985, and 298 million in 1984. However, it is not expected to pay a dividend.

Frontier Airlines employees have sued People Express Inc. for \$52 million, accusing the airline of forcing Frontier into bankruptcy by wrongfully diverting assets. People Express bought Frontier in October 1985 for \$307 million. On Aug. 28, 1986, Frontier filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code.

IBM Japan Ltd., a subsidiary of International Business Machines Corp., and Sumitomo Electric Industries Ltd. will form a joint venture to design and equip energy-efficient buildings incorporating computers and telecommunications. The new company, S. & I. Ltd., will be capitalized at 400 million yen (\$2.72 million).

Intel Corp., the California-based chip maker, is to build production lines for Japanese markets at its Malaysian and U.S. plants, after criticism from Japanese users who were undersupplied in the spring when Intel's plant had a production problem.

Kobe Steel Ltd., in cooperation with Okura & Co., has won a contract from Inland Steel Co. of Chicago to give technical assistance in modifying and starting up two iron ore pelletizing plants.

McDonnell Douglas Corp., a MD-82 airliner, the first built by China, from parts imported from the United States, made a maiden flight over Shanghai. McDonnell Douglas China Inc. plans to assemble 25 of the aircraft in Shanghai by 1991, at a cost of more than \$600 million.

NEC Corp. reported group net profit of 15.03 billion yen (\$101.9 million) in 1986-87, down 44.7 percent from a year earlier, on sales of 2.45 trillion yen, up 4.9 percent. It predicted group net profit of 25 billion yen in the year ending March 31, 1988, up 66 percent from 1986-87.

Pay 'N' Pak Stores Inc.'s board rejected two sweetened takeover offers from a Florida investor, Paul A. Bilzerian, citing an earlier buyout agreement with a management-led group valued at \$21 a share, or about \$212.5 million. Mr. Bilzerian's latest offer had indicated values of up to \$22.50 a share.

Reuters Group PLC, a London-based news agency, reached a definitive agreement to acquire Sterling Inc., a jewelry retailer based in Akron, Ohio, for \$210 million.

## CURRENCY MARKETS

## Dollar Rises Strongly On News From Japan

Reuters

NEW YORK — The dollar climbed a holiday-shortened session on Friday with robust gains, especially against the yen, after comments by Japan's prime minister and news of a narrower Japanese trade surplus for May, dealers said.

Prime Minister Yasuhiro Nakasone said the Venice summit meeting agreement, whose main purpose he said was to prevent the dollar falling further, had helped turn the yen lower.

In New York, the dollar closed at 148.80 yen, up from 147.45 on Thursday; at 1.8394 Deutsche marks, up from 1.8336; at 5.305 Swiss francs, up from 5.2935; and at 6.1305 French francs, up from 6.1075.

The dollar was also higher against the British pound, which closed at \$1.6105, against \$1.6170 on Thursday.

Dealers said that Mr. Nakasone's statement, announcing the market's belief that the yen is determined to keep the dollar within certain prescribed bands.

Some dealers said they believed that the U.S. currency could soon reach levels where the central banks might intervene.

"The authorities probably are trying to find out how much of this gain in the dollar is for real and how much is just speculative," a dealer at one U.S. bank said.

Dealers also said that the dollar was becoming more attractive compared with the yen as Japanese funds flow into U.S. investments. Japan's Finance Ministry said that Japanese net purchases of all foreign bonds reached a record \$14 billion in June. The buying was

fuelled by stable exchange rates and favorable U.S. interest rate differentials.

Earlier in London, the dollar closed at \$1.6390 DM, up from Thursday's close of \$1.6315 DM. It finished at 148.65 yen, well up from 147.22 yen. The pound slipped to \$1.6110 from \$1.6156.

On the Continent, the dollar firmed to 1.8372 DM at the fixing in Frankfurt from 1.8285 DM on Thursday, and to 6.1215 French francs in Paris, up from 6.1040.

It closed at 1.5283 Swiss francs in Zurich, up from 1.5205.

## Yugoslavia Wins A Rescheduling

The Associated Press

BEIGRADE — The Yugoslav government has reached an agreement with Western commercial creditors to delay payments on \$240 million of its foreign debt, the state news agency Tanjug reported Friday.

The accord was reached after two days of negotiations in Belgrade with Fulvio Dobbie, an official of Manufacturers Hanover Trust Co. of New York. Tanjug said the rescheduled payments, \$90 million, will be paid on July 15. The total debt was rescheduled for September, the agency said.

Yugoslavia's total foreign debt exceeds \$19 billion.

## Free Investor Information

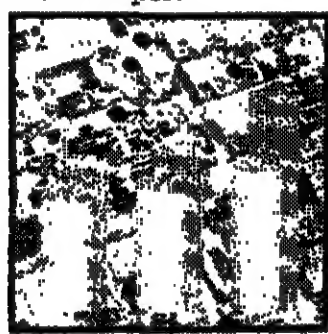
The latest information from the distinguished companies listed in this section are available to you at no charge.

## ANT Telecommunications

ANT Nachrichtentechnik GmbH is one of the leading companies in the telecommunications sector, with activities in multiplex systems, telecommunication cable systems, microwave systems, space communications systems, special communications system and audio systems. We have about 7,050 employees engaged in planning, developing, manufacturing equipment and systems for both the home market and export. ANT recorded a turnover of some DM 1,256 million in fiscal 1986.

ANT Nachrichtentechnik GmbH, Post Box 1120, D-7150 Backnang, West Germany. Tel.: (7191) 31-0.

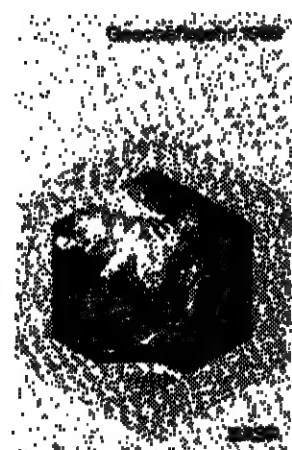
Annual Report



## BASF

BASF is a major international chemical company. Its trailblazing scientific and technological achievements, integrated production and intensive marketing have built a significant position for BASF in world markets.

In 1985 the world economy was substantially characterized by the drop in oil prices and the declining value of the dollar. Both factors put heavy pressure on chemical product prices. Although BASF sold higher volumes, sales receded for the first time since 1975. In spite of these turbulences BASF had a good year in 1986, in keeping with the standard of the previous years' successes.



## Bayer

The year 1986 continued the sequence of successful Bayer years which started in 1983. Although the turnover of Bayer World fell by 11.3 per cent to DM 40.75 billion because of currency developments and lower selling prices, income before tax rose by 4.9 per cent to a record-breaking DM 3.3 billion. This was especially significant when seen against the background of a worldwide slowdown in economic growth and continuing strong fluctuations in exchange rates. Income after tax increased by 3.8 per cent to DM 1.49 billion.

With the dividend of DM 10 for 1986, dividend payments total DM 659 million, an increase of DM 66 million compared with 1985 and itself a record.

The strengthened financial foundation of the company is best illustrated by the increase in equity ratio from 36.1 per cent to 42.3 per cent for Bayer World in 1986. This improvement enabled Bayer further to reduce its worldwide financial obligations, which have been halved since 1982.

Capital investment for Bayer World rose by 15 per cent to DM 2.4 billion. The research expenditure was DM 2.07 billion in 1986.

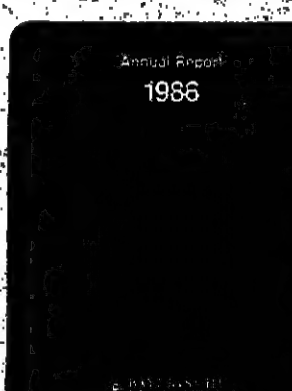


## BAYERISCHE VEREINSBANK AG

BAYERISCHE VEREINSBANK AG is paying its more than 90,000 shareholders an increased dividend of DM 13.00 (= 26%) for 1986. As a successful commercial and mortgage bank, we have continued to expand at home and abroad. Total assets, showing a growth of 5.3%, now amount to DM 81.5 billion; the BV Group has exceeded the DM 140 billion mark (+ 5.8%).

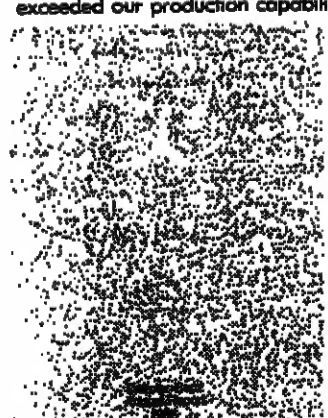
BAYERISCHE VEREINSBANK shares are traded on all stock exchanges in the Federal Republic of Germany, as well as in Zurich, Geneva, Basel and Vienna. The bank is active throughout its branch network in all parts of the world.

In the domestic market, we continue to expand our business in the areas of private banking, corporate banking, and real estate. In the international market, we have established a strong presence in Africa and in Europe. The number of clients comes to roughly 400,000. Information on BAYERISCHE VEREINSBANK shares can be had under our Munich telephone number 089 3884-8811.



## DAIMLER-BENZ AG

In 1986 Daimler-Benz was able to continue on its successful course of growth. Consolidated sales, of which one-quarter was accounted for by the new divisions AEG, Dornier and MTU, and three-quarters by the traditional automotive sector, rose 25% to over DM 65 billion. Demand for Mercedes cars once again exceeded our production capabilities. In the highly competitive commercial vehicle business, Daimler-Benz maintained its leading market position as the world's biggest manufacturer of trucks upwards of 6 tonnes. Altogether, the new divisions in the group succeeded in raising sales and employment. Operational results continued to be encouraging in 1986, above all because of favorable developments in the car sector, and amounted to DM 1,767 million for the group as a whole and DM 1,404 million for Daimler-Benz AG.



## HOECHST

In 1986, Hoechst has maintained its position as one of the world's leading chemical companies. The range of products extends from chemicals through fibres and plastics to pharmaceuticals and plant protection agents. Specialties account for a large share of the business.

With sales of DM 38 billion, Hoechst Group achieved a net income of DM 1.4 billion. At 14 percent the return on equity was again markedly higher than the return on low-risk capital investments. Equity rose to DM 10.4 billion. Corporate debt was reduced to DM 4.5 billion, which was less than the liquid assets of Hoechst Group at the year's end. In acquiring Celanese Corporation early in 1987, Hoechst has gained an additional impetus for innovation. Celanese possesses modern facilities for the production of fibres, chemicals and plastics.



## LYONNAISE DES EAUX

Consolidated profits of Lyonnaise des Eaux (370 million francs Group share) advanced 32% in 1986 with earnings per share increasing 10%.

Sales totalled 15.7 billion francs, a rise of 6%, and self-financing capacity stood at 1.5 billion francs. All sectors of activity increased their contributions to net earnings. Foreign affiliates — and notably those in the United States and Spain — gained in profits as expressed in francs.

A public service group serving communities, Lyonnaise des Eaux relies on progressive policies in research, training and international development to continually upgrade its traditional professions. Group capabilities and experience are now serving new needs in communications, leisure activities and health care that are emerging in today's communities.



## MARKS AND SPENCER

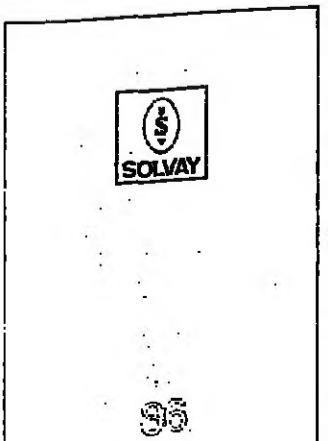
Marks and Spencer is the leading UK retailer. High Street outlets predominate, but the second edge-of-town store opens in 1988. Market share of UK clothing sales continues at 16%.

Homeware, footwear and foods are gaining share. The Marks and Spencer (Chargecard) accounts for 13% of UK turnover and has 1.5 million cardholders. Stores in Canada and Europe continue to prosper. US and Far East development possibilities are being investigated. In 1986-7, sales of the group rose 13% to \$4,220 million, and group profits increased by 16.1%. Profitability on sales improved from 9.8% to 14.2% and earnings per share rose 24%.



## SOLVAY

Solvay, founded in 1863, is the 2nd largest Belgian company and ranks among the top 10 chemical companies in Europe. It operates through 130 subsidiaries spread over 32 countries and has more than 44,000 employees. Group sales amounted to more than \$5 billion in 1986. Its activities extend from basic chemicals (alkalis, salt, chlorine, peroxygens) to plastics, pharmaceuticals and biochemistry.



## SOMMER ALLIBERT

Europe's foremost manufacturer of plastics for the home, for industry and containers.

Europe's foremost manufacturer of floorings.

The outstanding features of 1986 were:

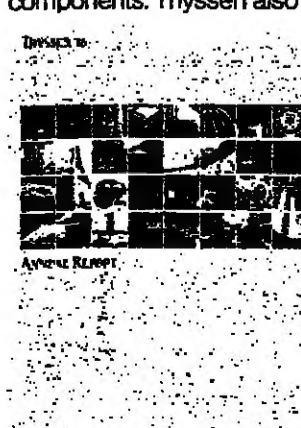
- 6.3% sales growth to 5,729 million French francs.
- A 111.7% rise in net current post-tax income to 222.3 million French francs.
- A 49.1% rise in funds provided from operations to 419 million French francs.

These results are attributable to steady capital expenditure efforts and creativity, which have generated further productivity improvements. Sommer-Allibert will be sustaining these efforts in 1987, with major capital expenditure programs in Europe and the United States. Further income growth is expected in 1987, together with a 10% increase in sales.



## THYSSEN AG

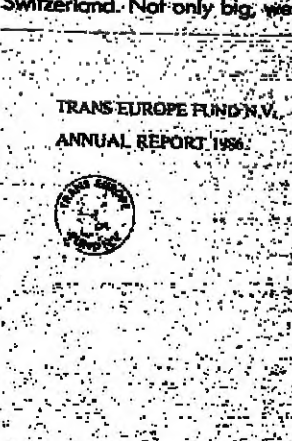
Materials, components and systems are the fields of activity in which Thyssen is successful. The West German company is the largest private steelmaker in Europe. It is an international specialist for industrial, ready-to-install components. Thyssen also offers complete industrial system solutions worldwide, for example, in transportation, in environmental and in manufacturing technology. External sales in fiscal 1986/87 amounted to DM 32 billion. All the corporate divisions closed the year with a profit. A work force of 128,000 is employed in over 60 countries around the world.



## TRANS EUROPE FUND N.V.

Trans Europe Fund — quoted on the Amsterdam Stock Exchange — is one of Europe's fastest growing open-end investment funds. It offers the investors a well diversified participation in companies whose operations are based in the European Community, the Scandinavian countries and in Switzerland. Not only big, well-known companies but interesting smaller ones are also included in the Fund's holdings. The management bases its policy on fundamental investment and macro-economic research and follows an active and alert investment approach, anticipating future developments.

Shares Trans Europe Fund, an effective and convenient way to participate in Europe's future. Information: ABN-de Nieuwe Internationale Investment Advisory Company B.V. P.O. Box 689, 1000 EG AMSTERDAM.





## BUSINESS ROUNDUP

## PRU-BACHE: U.S. Retail Brokerage Braves a New World of Investment Banking, Undaunted by Tough Odds

(Continued from first finance page)

Prudential-Bache started down this road once before. But after serious discussions with Dillon, Read & Co. in mid-1985, Prudential-Bache decided that acquiring the small firm meant paying too much for too little. But a nine-month study of the investment

banking field convinced Prudential-Bache that it had a shot at building the business. At Prudential-Bache, phase one of the building has just concluded — a hiring drive in which the firm spent lavishly to recruit 26 senior investment bankers away from other firms and 29 senior analysts to bolster its stock research department. The recruits, however, included no professionals recognized

as Wall Street superstars who could give the firm instant prestige. These professionals will form the core of the firm's investment bank, according to James Crowley and Theodore V. Fowler, co-heads of this division, known as Prudential-Bache Capital Funding.

The hiring spree is reminiscent of the way Mr. Ball reinvigorated and expanded Prudential-Bache's retail system after Prudential Insurance bought the ailing Bache Halsey Stuart Shields in 1981.

Mr. Ball, who was president of E. F. Hutton until joining Prudential-Bache in 1982, lured away dozens of other firms' retail brokers with huge bonuses. But the resulting bidding war angered competitors.

It was the kind of controversy that Prudential-Bache's conservative executives try to avoid. In fact, the new effort illustrates both the advantages and disadvantages of Prudential-Bache's link to Prudential, the country's largest insurer, with \$139 billion in assets.

On the one hand, those enormous deep pockets mean that Prudential-Bache has the wherewithal to finance its expansion, which will cost several hundred million dollars.

"None of this would be happening without our shareholders," the "Pru" Mr. Fowler said. "With them we have a very important advantage."

Yet there is an inherent conflict. With more than \$20 billion flowing in each year for new investments, the insurance giant cannot favor its own firm too much over the rest of Wall Street and keep returns high.

Garnett L. Keith, vice chairman of Prudential and chief executive of its investment subsidiary, described his attitude toward Prudential-Bache's buildup as ambivalent.

"The truth is that this is not a subject about which we have a great deal of conviction," Mr. Keith said. While "the Pru" backs the expansion, he said, it does not see the plan as essential to Prudential-Bache's future; it could well continue as a profitable retail firm.

Prudential-Bache, he added, "handles maybe 5 percent of what

four firms in the bracket are Salomon Brothers, First Boston, Goldman, Sachs & Co. and Morgan Stanley & Co."

Its strategy is provoking much questioning on Wall Street. "You clearly cannot just have investment bankers," said Samuel Liss, an analyst with Salomon Brothers. "You have to have the ability to trade

debt securities, with Prudential-Bache rising to 10th place so far this year, from 12th last year.

And in stock research, the firm rose to 11th this year from 15th last year, according to a poll by Greenwich Research Associates.

At this stage, Prudential-Bache's effort is marked as much by what it will not try to do. Mr. Crowley and Mr. Fowler, the heads of Prudential-Bache Capital Funding, said they would not compete directly with the top firms for underwriting commercial paper, preparing large corporate debt offerings, advising on large transactions and trading huge amounts of securities.

Instead, it is aiming at advising and underwriting for medium-sized corporations. Prudential-Bache is also trying to succeed in the high-risk but fashionable business of merchant banking.

**'You cannot just have investment bankers. You have to have the ability to trade and execute transactions.'**

— Samuel Liss, Salomon Brothers analyst

## Grumman Wins Space Contract

**The Associated Press**  
WASHINGTON — The National Aeronautics and Space Administration says it has selected Grumman Aerospace Corp. for its biggest space station award to date, a contract worth up to \$1.24 billion.

Grumman will provide technical and engineering support, a spokesman for the U.S. space agency said Thursday. The station is expected to be in orbit in the mid-1990s.

Some Grumman employees also will work with the European Space Agency, Japan and Canada, America's space partners in the \$15 billion venture.

## Vauxhall Reports £62 Million Loss

**Reuters**  
LONDON — Vauxhall Motors Ltd., a British unit of General Motors Corp., said Friday that its net loss had widened in its most recent financial year to £61.7 million (\$99.4 million), although it achieved the second-highest revenue in the company's history.

Vauxhall said it had revenue of £1.49 billion last year, down from a record £1.56 billion in the previous financial year, when it recorded a net loss of £47.4 million.

Vauxhall's share of the British passenger car market slipped to 15.1 percent in 1986 from 16.6 percent, reflecting a 6.2 percent decline in its new car registrations to 284,511.

## London Commodities

SUGAR	High	Low	Settle	Prev. Close
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30

## Paris Commodities

SUGAR	High	Low	Settle	Prev. Close
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30
U.S. 11/16	15.40	15.30	15.35	15.30

Source: Bourse du Commerce.

## To Our Readers

London metal prices were not available in this edition because of transmission problems.

## ADVERTISEMENT

## AMERICAN EXPRESS COMPANY (CDR)

The undersigned announces that as from July 6, 1987, the European American Bank & Trust Company has terminated her activities as custodian for our company. From July 6, 1987, the shares American Express Company can be deposited with: Morgan Guaranty Trust Company of N.Y. Re: a/c Kas-Associatie N.V. sub-act. ADC N° 34480, 15 Broad Street Office, Custody Department, 16.15 New York, N.Y. 10015 U.S.A. AMSTERDAM DEPOSITORY COMPANY N.V. 26th June, 1987.

## from International Investor V

Simply circle the appropriate number on the coupon at the bottom of the page before July 23, 1987 or telex the numbers with your return address, and the report(s) will be mailed to you by the companies involved.



For the French leading food and beverage group, 1986 was a favorable year, with as major event, Générale Biscuits acquiring. Reflecting the partial consolidation of the new Biscuits Division, BSN's sales increased from F.F.28.5 billion (to F.F.33.6 billion). Net income increased by 35.7% to nearly 1.3 billion. Thanks to favorable market conditions, combined with new products, BSN achieved a 10% increase in sales and growing internationalization. BSN reinforced its positions: major global dairy products, BSN's main spring water producer, main European brewer and pasta producer, third global position for biscuits and chocolate, leading European coffee producer.

## Bull

Group Bull is an international data processing and communications group present in 75 countries, with 26,800 employees, including a salesforce of 14,000 people of which more than 5,500 are based outside France, modern manufacturing facilities (6 plants employing close to 7,000 people) and a series of product families built around a distributed and open network architecture. 1986 key figures: Revenue: F.Fr. 17.8 billion (+10.5% since 1985); Foreign sales: F.Fr. 6.1 billion; Industrial and commercial investments: F.Fr. 1.672 billion; Research and development investments: F.Fr. 1.842 billion; Net income: F.Fr. 0.271 billion; Cash flow: F.Fr. 1.741 billion.

## CARNAUD

Carnaud corporate planning.

Our target: excellence for our customers. A genuine job: packing. Our claim: results second to none. Enthusiasm of our teams, the loyalty of our men. A motto: act together.

## CGE

The CGE Group is one of the world's leading industrial concerns. Its subsidiaries' achievements command worldwide recognition of CGE technologies and innovative know-how. Today, the Group produces the full range of equipment and systems for the energy and communications sectors.

FINANCIAL HIGHLIGHTS in F.F. million	1984	1985	1986
CONSOLIDATED SALES	62,109	71,942	80,903
NET EARNINGS	797	1,185	1,721
CONSOLIDATED CASH FLOW	2,775	3,515	4,469
SALES OUTSIDE FRANCE	25,016	26,628	29,060

## NIXDORF COMPUTER

From computers to telecommunications, Nixdorf offers a broadly based product spectrum for integrated information processing in the office and factory environment. Its proven ability to turn new technology into innovative products is backed by worldwide R & D and production activities. Company strength derives from skills in serving user needs of the workstation, with system solutions tailored for such industries as banking, insurance, retailing, hotels and restaurants.

## Annual Report 1986

Sustained growth raised revenues by 15 percent in 1986 to DM4.5 billion evenly shared between the German and international markets. Net income was up 29 percent to DM222 million. Capital expenditure, and R & D spending, totalled over DM1 billion. Additional staffing in 1986 raised the workforce to 25,576 personnel in a global network of 560 sales and service bases in 44 countries.

## PEUGEOT S.A.

The PSA group is one of the first industrial groups in France, the first French exporter and the fourth European car manufacturer with a production of 1,000,707,100 vehicles in 1986. PSA owes its success in 1986 to its systematic policy of renewing its products ranges, of modernizing its production tools, of introducing new technologies, of increasing productivity and of improving quality.

From a financial point of view, the operational profit has more than doubled in 3 years and the cash flow, which has more than tripled, covered 97.5% of investments in tangible fixed assets.

Lastly, the net profits were multiplied nearly sevenfold in 1986.

## PSA

EXERCISE 1986

## SKANSKA

Skanska is one of Europe's leading civil engineering and building contractor with a reputation for handling advanced projects in more than 60 countries.

We have got the technical strength to meet any construction need. With complete project responsibility we are resourced to deliver the total package. Assurance, fully functional installations and financial gains.

The Skanska Group reports 1986 revenues of SEK 16,103 million of which SEK 2,632 million were from outside Sweden. The consolidated income before allocations and equity/assets ratio rose to 23.2 percent. (SEK 1,000 = U.S.\$ 146.4)



## société nationale elf aquitaine

In 1986 the ELF AQUITAINE Group had a cash flow of 16.5 billion F.Fr. and a consolidated net profit of 4.3 billion F.Fr. All its divisions were profitable. ELF's reserves of oil and gas increased and it acquired new exploration permits. The chemical and pharmaceutical divisions are becoming a more important part of the Group's activities, contributing to ELF's overall stability.

ELF AQUITAINE reacted strongly to the shocks caused by a fall of almost 50% in the average crude oil price and a fall of almost 25% in the value of the dollar. The stock exchange reacted favourably and ELF's share value has increased significantly. The public and ELF personnel responded well to the sale of part of ELF's capital by the French authorities and ELF has now over 300,000 private shareholders. 56% of its capital is currently owned by ENAF but ELF will be privatized before 1991.

## VEBA AG

VEBA is one of Germany's leading companies. It is a broadly based industrial and service organization working in four major areas of activity: electricity generation and supply, oil and gas, chemicals, and trading and transportation. Total external sales in 1986 were DM 40.1 billion. Income before taxes was DM 1.9 billion, and Group net profit rose substantially to DM 1,020 million. Earnings per share have almost doubled since 1983. VEBA has nearly 70,000 employees and some 600,000 shareholders.



## VIAG

Energy • Aluminium • Chemicals

The Viag Consolidated Group registered an annual surplus of DM 149 million in 1986 — a record result for the post-war period. The Group's subsidiaries in the energy sector moved forward at an above-average rate, with earnings rising again. Fabrication continued to grow in the aluminium sector, with sales of rolled, extruded, and finished products increasing. Although earnings were hampered by the fall in the dollar, on the whole they developed satisfactorily. Business in chemicals weakened because of this sector's high share of foreign business and stiffer competition. Nevertheless, profits were sufficient to ensure the payment of an unchanged dividend to VIAG AG. The annual surplus of VIAG AG grew to DM 107 million, which permits an increased allocation to the reserves of DM 38 million and a rise in the dividend per share from DM 5 to DM 6. For 1987, VIAG profits are projected to remain at the same high level as in 1986.



Mail this coupon or send telex to:

Matthew Greene/International Investor V  
International Herald Tribune  
181 Avenue Charles-de-Gaulle  
92521 Neuilly Cedex, France.  
Telex: 613595 F

Please send me the reports from the companies circled, at no cost or obligation.

Check here: ☐ if you would like information sent to you to have your company included in our International Investor VI feature scheduled for October 1987 and please attach your business card.

Job Title \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Code \_\_\_\_\_

Country \_\_\_\_\_

Herald Tribune

1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	
16	17	18	19	20	21	22	

IHT55







## SPORTS

# 'Mets' Leach 2-Hits Reds, Ties Team Record With 7-0 Mark



Terry Leach chewed his way through the Reds on Thursday night, allowing only two singles in a game the Mets won, 5-0.

Compiled by Our Staff From Dispatches  
CINCINNATI — Terry Leach pitched a two-hitter Thursday night, facing just one batter over the minimum, and tied a club record as the New York Mets beat the Cincinnati Reds, 5-0.

Leach allowed only singles by Ron Oester in the third inning and

## BASEBALL ROUNDUP

Bo Diaz in the eighth as he equalled Roger McDowell's team record for most victories, seven, without a loss in a season. McDowell began the 1986 season with a 7-0 mark.

The side-arm-throwing Leach, 33, has been primarily a relief pitcher throughout an unimpressive career, compiling a 6-6 record with four saves in 70 major-league appearances before this year. But he has pitched a one-hitter, beating Philadelphia in 10 innings in 1982, and he has won three games in 19 relief appearances this season, and he has won four of his five starts since moving into the Mets' injury-depleted starting rotation.

"He's been exceptional, whatever his role has been," said the Mets' manager, Dave Johnson. "I guess it's my fault. If I'd pitched him more we could be in first place."

Said Leach, "I love it." He struck out three Reds and walked two, facing the minimum 18 batters over the first six innings. Oester was thrown out stealing after his soft, opposite-field single to left and Diaz was wiped out in a double play after his single.

Meanwhile, the Mets pounded starter Ron Robinson for five runs and nine hits, seven for extra bases, in 5 1/2 innings. Howard Johnson and Rafael Santana each drove in two runs and Lenny Dykstra hit a bases-empty home run.

Aston 7, Phillies 6: In Philadelphia, Glenn Davis hit a three-run homer for Houston with two out in the ninth, ending Steve Bedrosian's major-league record of saves in consecutive appearances at 13.

Royals 10, Twins 3: In the American League, in Kansas City, Missouri, Bret Saberhagen won his 14th game this season while Jim Eisenreich doubled in one run and hit a three-run homer against Minnesota, which lost for the seventh time in its last eight games.

Indians 2, White Sox 1: In Cleveland, Tony Bernazard, who went four-for-six, singled in Cory Snyder from second with two out in the 11th to beat Chicago. Snyder led off the inning with a single, and was hit by a pitch, after the Indians, who won for only the second time in 11 games, had loaded the bases with none out in the 10th but failed to score.

Angels 9, Brewers 7: In Anaheim, California, rookie Mark McLemore hit his first major-league homer, with one on and two out in the bottom of the 13th, to beat Milwaukee in a 4-hour, 28-minute game following the Angels' arrival home early in the morning from a Wednesday night game in Cleveland.

The Brewers had scored twice in the ninth to tie at 7, with Greg Brock, Rob Deer and Earnest Rife hitting consecutive two-out singles.

Athletics 5, Red Sox 3: In Oakland, California, Jose Canseco homered in the eighth, when his team scored three runs, and Joaquin Andujar pitched a six-inning shutout.

Mastersons 5, Tigers 2: In Seattle, Lee Guetterman pitched a five-inning shutout and Phil Bradley drove in two runs with a double and homer against Detroit. (AP, UPI)



Ivan Lendl reached back to return a shot hit by Stefan Edberg during their match, which Lendl won, 3-6, 6-4, 7-6 (10-8), 6-4, to reach the men's singles final at Wimbledon.

# Cash Beats Connors, Joins Lendl in Wimbledon Final

The Associated Press

WIMBLEDON, England — The Wimbledon odyssey of Jimmy Connors ended Friday as Pat Cash of Australia played almost flawless tennis to gain a title matchup with top-ranked Ivan Lendl.

Cash lost just one point on his serve in the first set and kept up a relentless torrent of aces, service winners and rifle-shot volleys to beat the 34-year-old American, 6-4, 6-4, 6-1, having lost just one set in the tournament.

Lendl, seeking to underscore his No. 1 ranking with a Wimbledon championship, wore down Stefan Edberg of Sweden in the first match on Centre Court, with the Czech-born U.S. resident winning by 3-6, 6-4, 7-6 (10-8), 6-4, to reach the Sunday final for the second year in a row.

In Saturday's women's championship, Martina Navratilova of the United States, seeking a record sixth straight title, meets Steffi Graf of West Germany to decide who is No. 1 in the women's rankings.

Connors, the two-time Wimbledon champ seeded seventh this year, had been the surprise of the tournament as he kept winning in the most improbable ways. The crowd cheered him on Friday, but he needed much more as Cash, seeded 11th, raced into his first Wimbledon final and his second Grand Slam tournament final this year. He had lost the Australian Open final to Edberg in January, but became the first Australian finalist at Wimbledon since Ken Rosewall in 1974. Rosewall, 39, lost that championship match to Connors.

Connors is one of the best service-return players tennis has ever seen, but Cash played to that strength, overwhelmed him, and didn't lose a point on serve until the seventh game of the first set. Through the seventh game of the second set, he

had lost just seven points on serve and won five games at love.

His total of 10 aces was not an unusual amount, but so many of the serves Connors got to were unplayable winners. And, when Connors got the serves back, Cash was waiting at the net for volley winners.

He broke Connors in the 10th game of the first set, when Connors hit a forehand into the net, then broke in the eighth game of the second set on a smash. Connors broke back for 4-5 when Cash hit a forehand wide off a sharply angled volley. But that was 1 hour, 16 minutes into the match, and was Connors' first break and last.

Cash broke for the second set as Connors squandered two game points, on a forehand volley through a wide-open court and a double fault, before Cash won it on two volleys hit on the dead run. He continued breaking Connors in the second and fourth games of the third set, building the lead to 5-0 with a love game capped by his 10th ace.

With the crowd yelling in hopes for another return from the brink, Connors served his first ace of the match — and laughed. He held that game with a backhand passing shot, but it just postponed the inevitable. Cash got off his back to hit a volley long on the first point of the seventh game and trailed again, 15-30, when Connors hit a running forehand passing shot for a winner. But Cash took the advantage with a forehand winner and an open-court volley, and won when Connors netted a backhand.

Edberg, who has won two Grand Slam tournaments, both on grass at the Australian Open, appeared for a while as if he were ready to add a Wimbledon final to his record, breaking Lendl for a 4-2 lead and serving out the first set.

But in the second set, Lendl brought into use the powerful forehand that has carried him to the top, and the newly honed serve-

and-volley game he hopes will deliver his dearest prize.

Edberg was serving to save that set at 4-5 and was up, 40-0. But Lendl, pounding away, broke Edberg to even the match at a set each.

As the third set opened under sunny skies, each player stepped up the pace on his serve. Aces were few, but service winners were plentiful, and when a serve was returned both were at the net for a putaway.

The closest they came to a break was at deuce in the fourth game, but Edberg held for 4-4, and for the rest of the set each held at love or 15.

Edberg forced the tiebreaker with a love game for 6-6, hitting a service winner for the final point. But Lendl quickly took the advantage, breaking Edberg's serve for a 2-1 lead. He built it to 4-1 on an ace, but was broken back at 5-4 on a backhand service return winner.

Edberg's fifth ace, and a backhand winning volley that clipped the net cord, gave him set point. But Lendl saved it and went to set point himself on two service winners. Edberg got another set point on two errors by Lendl, but again Lendl rallied, on a service winner and Edberg's error. This time, Lendl held the advantage, winning on a beautiful forehand passing shot down the line.

He broke Edberg in the first game of the fourth set, held for 2-0 on an ace, held two break points before dropping the third game, then held off a break point and moved to 3-1 lead on his third advantage with a beautiful, forehand volley.

Lendl's final break built a 5-2 margin on four errors by Edberg. Lendl lost his serve on a backhand return winner, Edberg held at 15 for 4-5, but Lendl wrapped up the match at 15 on his serve, finishing it off with his seventh ace and a one-two punch into the air.

## SPORTS BRIEFS

### Sindelar Leads by 1 in Canadian Open

OAKVILLE, Ontario (NYT) — Joey Sindelar, one of the PGA Tour's long hitters, birdied the first three of the four par-5 holes at the Glen Abbey Golf Club on Thursday and eagled the par-5 18th to take the first-round lead in the 78th Canadian Open.

Sindelar carded four-under-par 68, for a one-stroke edge over Tom Purtzer, who birdied the last two holes. Ernie Gonzalez, a left-hander, might have tied at least Purtzer had he not had to make a shot while standing barefoot in a cold pond just below the 18th green. His chip from a poor lie above the water line put him 20 feet from the pin, from where he needed two putts to get a bogey and shoot 70, tied with Bob Murphy, the defending Canadian Open champion; Steve Pate and Richard Zokol.

Jack Nicklaus, a seven-time Canadian Open runner-up but never a winner, double bogeyed No. 18 to finish at 72 with 20 others. Nicklaus built the Glen Abbey course, which became the tournament's permanent site in 1981.

### Wife Asks Drug Treatment for Hagler

BOSTON (UPI) — The estranged wife of Marvin Hagler has demanded that the former middleweight champion seek treatment for cocaine and alcohol abuse before he is allowed to return home, Boston television station WNEV-TV reported Thursday.

Bertha Hagler had won a restraining order Wednesday barring Hagler from visiting their five children or their suburban Boston home. She claimed in a court petition that her husband threw her from their house in Hanover, and threw a boulder at a family car parked in the driveway, and said she feared physical harm.

Hagler has been living in seclusion in Bedford, New Hampshire, since he lost his title April 6 to Sugar Ray Leonard. He could not be reached for comment, but his co-manager, Pat Petronelli, told The Boston Herald, "I don't know what's true or what isn't true. I have no way of knowing."

### Player Failed by His Green Thumb

BLACKSBURG, Virginia (UPI) — Virginia Tech officials released a report Thursday that, in detailing "serious breaches of academic integrity" involving student athletes at the school, said that one basketball player was declared ineligible to play after he failed a class in "house plants."

A six-member committee, appointed in April by the university president, William E. Lewis, to investigate allegations of academic dishonesty, found that there had been grade tampering and that players were recruited who were not capable of doing college work.

Although many scholarship athletes enrolled in what were described as "cafeteria courses" according to the report, not one basketball player recruited since 1981 has graduated from the school.

### For the Record

Defending world champions Carl Lewis, Edwin Moses, Calvin Smith and Greg Foster will be part of a 125-member U.S. team that will compete Aug. 29-Sept. 6 in Rome in the second world outdoor track and field meet. The Athletics Congress announced Thursday in Indianapolis.

Tickets for next year's Olympics in Seoul will go on sale overseas in October, organizers said. Those for the 23 competitions will range from about \$2.70 for shooting to \$50 for the boxing finals; admission to the opening and closing ceremonies will cost \$20 for the 27,695 first-class seats, \$160 for 17,297 second-class seats and downward, with most first- and second-class seats reserved for overseas sales, officials said. (AP)

### Quotable

• Chi Chi Rodriguez, leading money winner on the senior golf tour: "If I'd played like this years ago, I'd own a jet instead of a Toyota." (LAT)  
• Manager Cal Ripken, whose Baltimore Orioles continue losing: "The way things are going, if we loaded up the ball [using a spitball], the other team would probably hit it on the dry side." (AP)  
• Don Baylor of the Boston Red Sox, after being hit by a pitch for a major-league record 244th time: "Now that I have the record, I'll have to learn to get out of the way." (AP)

## SCOREBOARD

### Yale, Kolbe Win Again at Henley; Pairs Record Set

The Associated Press

HENLEY-ON-THAMES, England — Yale University's eight won Thursday for the second time in the Ladies' Challenge Plate of the Henley Royal Regatta, while Peter-Michael Kolbe, the veteran world champion sculler from West Germany who is seeking his first Henley title, reached the last four of the Diamond Sculls with a four-length defeat of Matt Thomas of Britain.

Kolbe's main rival, Vassili Jankusha of the Soviet Union, beat Ian Dryden of Britain by 3 1/2 lengths, while the British world coxed pairs champions, Steve Redgrave and Andy Holmes, broke the course record by 12 seconds against a pair from Iowa College in New Rochelle, New York.

Redgrave and Holmes, rowing in almost perfect, windless conditions in the Silver Goblets competition, quickly opened up a huge lead over the two 21-year-old Americans, Brian O'Hara and Justin Bohan, Iowa's first representatives at Henley.

"Normally, you can see the puddles left behind when someone is going away from you," O'Hara said. "But we couldn't even see that."

The Yale eight, undefeated against lightweight opposition, rowed to its second comfortable victory in the Challenge Plate, beating Thames Tradersmen by a length. The British boat Leander, one of the two favorites, was upset by Tideway Scullers School of Britain.

### Baseball

#### Major League Standings

AMERICAN LEAGUE	East Division	West Division
New York	49	38
Toronto	45	35
Seattle	42	32
Minnesota	38	30
Boston	38	28
Baltimore	31	27
Cleveland	27	27
West Division		
Minnesota	48	34
Kansas City	41	32
Oakland	41	32
Seattle	40	32
California	39	31
Texas	36	29
Chicago	28	27
NATIONAL LEAGUE	East Division	West Division
St. Louis	46	39
New York	42	35
Atlanta	41	32
Chicago	41	32
Philadelphia	36	30
Pittsburgh	34	29
West Division		
Cincinnati	41	32
San Francisco	38	30
Atlanta	37	28
Los Angeles	36	28
San Diego	26	24

### Baseball

#### Thursday's Major League Line Scores

Thursday's Major League		
AMERICAN LEAGUE		
Chicago	9	7
Cleveland	10	3
Baltimore	10	3
Seattle	7	2
Minnesota	5	3
Boston	5	3
Philadelphia	5	3
Pittsburgh	5	3
West Division		
Minnesota	9	7
Kansas City	9	7
Oakland	9	7
Seattle	9	7
California	9	7
Texas	9	7
Chicago	9	7
NATIONAL LEAGUE		
St. Louis	9	7
New York	9	7
Atlanta	9	7
Chicago	9	7
Philadelphia	9	7
Pittsburgh	9	7
West Division		
Cincinnati	9	7
San Francisco	9	7
Atlanta	9	7
Los Angeles	9	7
San Diego	9	7

## Transition

### Baseball

#### Thursday's Major League Line Scores

NATIONAL LEAGUE	
San Francisco	102 913 985-9 14 6
Los Angeles	100 910 985-9 14 6
San Diego	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	98 910 985-9 14 6
San Francisco	

## HOLIDAYS & TRAVEL

### Cruise in Bagan

#### In The Mediterranean and The Black Sea

TO THE GREEK ISLANDS, EGYPT, ISRAEL, TURKEY, THE USSR, YUGOSLAVIA AND ITALY
Choices of 14-7-4-3-1 Day Cruises
ABOARD THE MODERN LUXURY SHIPS
World Renaissance
Pegasus, Atlas, Jupiter
Oceanos, Hermes, Neptune
EPICRUISE CRUISES
Paris: 42660224
Munich: 7283331
London: 5134115
Frankfurt: 59184
Rome: 727800
Amsterdam: 4244417
New York: (212)591736
Los Angeles: (213)851736

## Tennis

### Wimbledon Results

Singles Semifinals
Ivan Lendl (1), Czech, def. Stefan Edberg (4), Swe. 3-6, 6-4, 7-6 (10-8), 6-4.
Pat Cash (11), Austral. def. Jimmy Connors (7), U.S. 6-4, 6-4, 6-1.
Doubles Semifinals
Kon Flach-Robert Segura (7), U.S. def. Andrei Chiriac-Marc Rodionov (2), U.S. 7-6, 7-6, 6-4.
GENERAL
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1988 conditional draft choice.
ST. LOUIS—Stefan Tim Paetzel, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SAN FRANCISCO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
SEATTLE—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
ATLANTA—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
TORONTO—Stefan Davis, defensive back Wayne Davis, linebacker Bill Stewart, wide receiver Fred Bailey, defensive line Danny Crowell, running back, and Todd Tschman, punter.
WINNIPEG—Activated Mike Aronoff, defensive back, and Jeff Trull, defensive back.
Notified Football League
LEAGUE—Suspended Steven Wilson, Cincinnati running back, for renewed involvement with cocaine.
MINNESOTA—Agreed to terms with D.J. Dasher, running back, on a multiyear contract.
PITTSBURGH—Traded David Woodley, quarterback, to Green Bay for undrafted 1



